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Cuba

Alarcon Endorses Emulating Capitalist 'Mechanisms'

FL0109020093 Havana Radio Rebelde Network in Spanish 2300 GMT 31 Aug 93

[Text] A meeting of friendship concluded a few minutes ago at the seat of the National Assembly of the People's Government [ANPP] between Eufrasio Felipe and Orlando Almeida, presidents of Lisbon's municipal governments of (Seichal) and (Amadora), and Ricardo Alarcon de Quesada, president of the ANPP and a member of the Politburo. Alarcon, who answered several questions put forth by the visitors, stressed the following during an analysis of the National Assembly, the deputies, and their work:

[Begin recording] A parliament has certain traits that in my opinion are universal and have a standard function: to adopt laws, in other words, legislate; and to control or audit the administration. These two functions, which exist in capitalist society, are in my opinion also necessary in a socialist society, particularly a society in a phase such as the one the Cuban society is experiencing. How to do this? It does not have to be, nor can it be a great mistake if one tries to imitate and use the mechanisms of a present-day capitalist system parliament. This is the first premise.

It is not a matter of doing this in any socialist society. Rather, it is a matter of doing it in a Cuban society which has its own traits, traditions, customs, etc. and is, in addition to this, in the midst of a special period. For example, in discussions preceding the ANPP congress, we reached certain conclusions, such as the need to promote the work of the municipal and provincial assemblies, and the commissions of the assemblies.

Now, how will we do this with less electricity? We have power right now, but this is unusual. We would normally not have power in the hottest part of August. How to do this with less fuel, transportation, and resources of all kinds? How to conduct more enduring work when there are fewer material resources? This is why we have debated this extensively. I believe we have reached .. [changes thought] We have implemented certain ideas that in practice are an adequate response to this situation.

Thus, today—I can say this without exaggerating—our deputies, delegates, and assemblies have a real function. Now that the National Assembly is not in session, each of our deputies is involved in various important tasks—a situation similar to yours. We are doing this while using fewer resources than before. This is the result of innovations and the creation of new mechanisms. In my opinion, this is fully in accordance with the socialist character of our society. [21-second break in transmission].

Last night, the Tele Doy telethon was held. There has been a truly national mass movement in support of the school year to find school supplies—notebooks, pencils, etc. Although this has been a goal of the education authorities, in reality, the movement was launched by a decision of the ANPP Standing Committee on Education. During the first meeting they held in early July—this was the first committee formed—someone proposed to launch this mobilization as part of their work, in connection with the school year. The unions, the youth, the Committees for the Defense of the Revolution—almost the entire Cuban society—joined in on this proposal. The results are interesting. It does not meet all the needs of the entire school year. However, classes begin tomorrow and we reach this moment with the beginning of the term guaranteed. The school year is going to face many difficulties but at least it will begin without major problems.

Newsman Blames 'Mistaken Policy' for Food Shortages

FL3108184393

[Editorial Report] Havana Radio Rebelde Network in Spanish at 1600 GMT on 31 August in its 15-minute "Straight Talk" program features Eloy Concepcion of the weekly TRABAJADORES newspaper as guest, with host Juan Carlos Roque Garcia. The topic is the Agricultural Food Program.

After acknowledging the increasing scarcity of the tubers and vegetables that have become the staples of the Cuban diet, Concepcion outlines what he thinks are the causes of this shortage. He says the country's food production programs were well designed, but were based on the availability of fertilizer, equipment, and the like which are currently unavailable. He says the country is actually producing more tubers and vegetables now than before the so-called "special period," but people are finding the supply insufficient because they no longer have a variety of complementary foods.

In suggesting ways to help resolve food shortages, Concepcion says the so-called "mobilizations," or transfer of city workers to the farms, should be done only in peak harvest periods. He suggests incentives to make it more attractive for workers to stay on the land: adequate housing, "salaries that are tied to production," and provision of "an area, small as it may be, in the farmer's house, etc., where he can breed poultry or pigs and have access to the products that are produced—pardon the redundancy—in this area that he works, and have the possibility of selling them." He says the cooperatives are examples of the way this would work.

Concepcion says in closing: "It is also true that the Agriculture Ministry has pursued a mistaken policy with regard to the planting of certain crops, based on their low yield. We do not plant corn, because corn is a low-yield product. We do not plant pumpkin, because it is a low-yield crop, or because there is no seed, or because the seed has deteriorated, etc."

He says: "One of our problems which we have to resolve—and I think this is one way in which the agriculture policy has to be rectified—is this: We have to liberalize planting so that people can plant everything and anything they really want to plant."

Concepcion adds: "An excessive centralization has prevailed with regard to decisions that should often be made at the grassroots level, based on a policy of national interest. That is, I believe, the key to the problem. There has been excessive centralization at high levels of the Agriculture Ministry...."

Roque says: "Fortunately, all of this is being resolved." Concepcion responds: "I believe the special period will provide us with many good experiences, and I think the lack of excess resources—which we used to squander, incidentally—will now oblige us, and in fact is already obliging us, to correct these defects and to liberalize production of those items that have been centralized and forbidden, if not by resolution, at least tacitly."

Socialist International Parties Condemn Blockade

FL0109021593 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 1 Sep 93

[Text] Representatives of 23 Latin American political parties that are members of the Socialist International meeting in the Dominican Republic, have condemned the U.S. blockade of Cuba and the neoliberal [economic] policy being applied on the continent. The meeting was called for the purpose of analyzing Latin America's socioeconomic and political problems and the region's electoral processes. At the meeting, Jose [Francisco] Pena Gomez, the Dominican Revolutionary Party's presidential hopeful, called for an end to the blockade of Cuba and explained that the arguments brandished by Washington to introduce the blockade have now disappeared.

Retroactivity of Decriminalization Law Explained

FL3108134893 Havana Radio Progreso Network in Spanish 1100 GMT 31 Aug 93

[Statement by Jose Bodes Torres, president of the criminal division of the People's Supreme Tribunal; place and date not given—recorded]

[Text] Decree-Law 140, in addition to decriminalizing certain actions, is retroactive in effect, like all criminal laws. What does this mean? It means that anyone, who is on trial for this crime, immediately ceases to be subject to judicial procedure, and the legal proceedings are suspended, at whatever phase is involved. For example, if the case is in the investigative phase, it is immediately closed. If the case is already in the trial phase, it is also immediately closed. If the trial had already been completed and a sentence is pending, the sentence is acquittal since these actions are no longer a crime.

If an individual has been convicted but has not yet served the sentence, the sentence would be suspended. For example, if the sentence had involved imprisonment, it would be revoked. If the sentence had been the imposition of a fine, it would also be invalidated and would not be enforced. It would not be necessary to pay the fine, nor would the person have to serve time in prison. If the individual were already serving a sentence in prison, that prison sentence would immediately be lifted in line with the appropriate procedure.

To the aforementioned regarding the retroactivity of the law, we must add that in this case, the decree is favorable to those who have already been penalized or are in the process of being tried for the crimes. Criminal laws are always retroactive when they are beneficial to those who are being punished, accused, or imprisoned for the crime involved. In this case, Decree-Law 140 is retroactive, because it is advantageous to persons accused of this crime, since the action has ceased to be a crime, and is now a legal activity.

Alquizar Units To Increase Involvement in Social Tasks

FL0109021193 Havana Radio Rebelde Network in Spanish 2300 GMT 31 Aug 93

[Report by Mario Huber Garrido]

[Text] This report is coming to you from the seat of the 40th Anniversary of the Moncada Barracks Attack Group and follows up on the issue of the latest donations of school supplies and initiatives in support of the new school year and the community. Following a tour of Alquizar Municipality, I verified the commitment of five Revolutionary Armed Forces [FAR] camps, not only to continue supplying school materials and sponsoring the schools assigned to each unit, but also to expand this beautiful task to other education centers, retirement homes, childcare facilities, and possibly even providing specialized medical services to the population.

This is what is going on in the Cedro, Juventud, Flor de Cuba, Pulido Cuatro, and Pulido Uno camps. In this last one, consisting of reserve troops, a kitchen and even an oven will be installed to make bread, crackers, and other items for the students. Among others, there are initiatives to produce banana compote on a small scale; craftsmen will sell their products to the community; the traditional rodeos will be revived in conjunction with the local government; and the musical band of the General Staff of the Ministry of the FAR [Minfar] will give concerts in towns and rural sites in nearby municipalities.

Brigadier General Ramon Bayeratos, the chief of this camp, stated that their goal, in addition to producing food for the Havana Provinces, is to increase their involvement in social tasks, to produce and make revolution in direct contact with the people of the five municipalities where the 13 camps are located.

In the assesment of today's activities in Alquizar, the commitment of the new Minfar troops—Navy and Anti-aircraft Defense and Revolutionary Air Force units—and the government, the Communist Party of Cuba, enterprises, and farms was stressed, details were discussed, and a strong call was issued to continue perfecting the fight against crime in relation to current needs.

Inter-Caribbean Affairs

Caricom Heads Respond To Joint Cuban Venture Issue

FL2608152993 Bridgetown CANA in English 2142 GMT 25 Aug 93

[Report by Rickey Singh]

[Text] Bridgetown, Barbados, Aug 25, CANA—The governments of the 13-member Caribbean Community (Caricom) say they wish to have Cuba "reintegrated into the hemispheric and international communities" and have no intentions of changing their relations with the government in Havana. This message has been communicated by the 20-year-old community in a letter to members of the Western Hemisphere Subcommittee of the United States Foreign Relations Committee, just made available to CANA. It followed complaints from some U.S. congressmen about a proposed Caricom/Cuba joint commission.

The community's governments feel that the commission, soon to be inaugurated either in Havana or at the community's secretariat in Georgetown, would help in fostering "constructive, mature, measured engagement, and dialogue" to advance the "re-integration process." This policy of the region's economic integration movement in developing closer relations with Cuba was outlined in an August 19 letter to four members of the Western Hemisphere Subcommittee.

Signed by Caricom secretary general, Edwin Carrington, the letter was in response to that of July 26 to the heads of government of the community by Robert Torricelli, chairman of the subcommittee, and three of his congressional colleagues. The other signatories to the July 26 letter that had expressed disapproval of the community's decision to establish the joint commission with Cuba were Congresswoman Ros-Lehtinen and Congressmen Robert Menendez and Lincoln Diaz-Balart.

The objection of the American congressional leaders drew strong criticisms from various regional organisations and also Prime Minister Eugenia Charles of Dominica, even before unanimous approval was given for Secretary General Carrington to dispatch the August 19 response.

A spokesman for the U.S. State Department sought to distance the administration of President Bill Clinton from the Torricelli group's letter, by stating that it should not be "confused" with official U.S. policy in relation to Caricom. Since then, heads of government of Jamaica, Trinidad and Tobago, the Bahamas, Barbados, and Guyana have been invited for a working luncheon meeting with President Clinton next Monday [30 August] at the White House.

The caricom response, addressed to the individual signatories to the July 26 letter, said: "The decision of the Caricom heads of government, taken in July 1992 and reaffirmed in July 1993, is to establish a Caricom-Cuba joint commission "based on existing similar agreements to which the community is a party." The community currently has agreements with hemispheric countries such as Mexico and Venezuela."

The letter further states that "the basic relationship which the Caribbean Community and its member states maintain with Cuba, and which it is not proposed to change, can be viewed in the same light as those which presently exist between Cuba and other hemispheric countries such as Canada and Mexico."

The Caricom heads of government have noted that both Canada and Mexico are involved with the U.S.A. in the North American Free Trade Agreement (NAFTA) which is scheduled to come into force in January 1994. Carrington said that in view of the U.S.'s relations with Mexico and Canada and these two hemispheric countries' trade and other links with Cuba, Caricom governments "find it difficult to understand the basis for the concerns" expressed about benefits from trade with the U.S. and Caricom being transmitted to Cuba through the proposed commission.

Emphasising that the Cuba-Caricom commission "provides a framework and an opportunity" for dialogue on a range of issues as outlined in the report of the West Indian Commission, Carrington said: "The Caribbean Community shares the concern of all those nations in the hemisphere which wish to see Cuba re-integrated into the hemispheric and international communities....

"This," he said, "can come about through a variety of different but mutually reinforcing approaches. The community senses increasing support for its approach for constructive, mature, measured engagement, and dialogue."

Community leaders hope the joint commission "will advance that process," he said.

Clinton Meeting Commented

FL3108122993 Bridgetown CANA in English 2246 GMT 30 Aug 93

[Report by Wesley Kirton]

[Text] Washington, Aug 30, CANA—U.S. President Bill Clinton on Monday ordered that a study be undertaken by his administration, to determine what impact the proposed North American Free Trade Agreement

(NAFTA) will have on the economies of English speaking Caribbean countries.

Clinton, speaking at a White House press conference shared with five visiting Caribbean Community (Caricom) heads of government, described the Caribbean as "an important building block of a hemispheric community of democracies linked by growing economic ties and common political beliefs."

Guyana's President Cheddi Jagan and Prime Ministers Patrick Manning of Trinidad and Tobago, Erskine Sandiford of Barbados, P.J. Patterson of Jamaica, and Hubert Ingraham of the Bahamas, had earlier met with Clinton at a working lunch which lasted almost two hours.

Clinton said the discussions highlighted concerns that NAFTA may adversely effect the Caribbean and Central America.

"Therefore, I want to announce today that I have asked Ambassador Mickey Kantor (the U.S. trade representative) to study the impact of NAFTA on the small economies, and to consult with them on new measures to increase regional trade," Clinton told the news conference.

Clinton said U.S. concern for the region "is firmly rooted in geographic proximity, the resultant flows of people, of commodities and culture, and in our shared interest in fighting drug trafficking and protecting our economic interest and fragile eco-systems."

He said the United States planned to send a high-level delegation to an international conference on sustainable development for small island states, scheduled for next year in Barbados.

Caricom chairman, Prime Minister Hubert Ingraham of the Bahamas, said the leaders took the opportunity of the luncheon with the U.S. President to talk about further steps which Caricom could take as a group to strengthen democracy in the region, and to ensure there was greater accountability to Caribbean citizens and transparency in the governance of their respective countries.

"We were also able to discuss our desire to do all we can to assist in helping to create an atmosphere in this region where all countries in the region will be democratic countries in the not too distant future, including Cuba," Ingraham said.

He said the leaders put before the Clinton administration the items of highest priority for the Caribbean region including the inclusion, within NAFTA, of provisions to preserve and enhance benefits to Caricom countries under the Caribbean Basin Initiative (CBI).

He added: "We were able to point out the need for continued support for agriculture including bananas, particularly for the countries of St. Vincent and the Grenadines, Dominica and St. Lucia.

"We were also able to focus on the joint cooperation in anti-drug efforts, and to point to the fact that one of the most successful, if not the most successful drug interdiction programme which has taken place anywhere, takes place between the United States and the Bahamas", Ingraham said.

The Caricom chairman said the visiting leaders would leave Washington invigorated and determined to continue their efforts to work together as partners to ensure a better quality of life for all the citizens of the Caribbean.

He said the leaders were most hopeful of the benefits that will come to the region through the administration of President Clinton.

The visiting Caricom heads also met late Sunday afternoon with a high-level delegation from the Inter-American Development Bank (IDB) led by the bank's president, Enrique Iglesias.

Antigua and Barbuda

Hugh Marshall Challenges Party Leadership Defeat

FL3108223293 Bridgetown CANA in English 2122 GMT 31 Aug 93

[Text] St. John's, Antigua, Aug 31, CANA—Chairman of the ruling Antigua Labour Party (ALP) Adolphous Freeland has re-iterated that the name of former Trade Minister Hugh Marshall will not be on the ballot paper to contest the leadership of the party at a two-day convention starting Sunday. Freeland told CANA Tuesday Marshall's name, "is not on the ballot sheet."

The ALP chairman announced last week that Marshall did not receive a seconder for his nomination. Marshall, the party's first vice-chairman, had challenged the decision on the grounds that it was contrary to party rules and regulations. Contacted by CANA today, Marshall said he would be making a statement later this week.

"I don't want to get involved in what Mr. Marshall said. You don't try to get entangled with a web that you can't unentangle yourself," Freeland remarked.

Marshall's absence leaves a straight fight between Planning Minister Lester Bird and Information Minister John St. Luce, who last year tied for the position at a special convention.

This year's convention will be held at the Ramada Royal Antiguan Resort where 300 delegates from the 17 constituencies and affiliated groups will elect officers for the party's executive.

Freeland is also being challenged by former government minister, Vere Bird, Jr., and ex-junior minister, Hendy Simon, for the position of chairman.

Barbados

Sandiford Defends Relinquishment of Finance Portfolio

FL2708015593 Bridgetown CANA in English 2258 GMT 26 Aug 93

[Excerpts] Bridgetown, Barbados, Aug 26, CANA—Barbados Prime Minister Erskine Sandiford on Thursday announced a major cabinet reshuffle which touched all but one of the 13 government ministers.

The biggest changes were Sandiford's decision to relinquish the Ministry of Finance, and the elevation of David Thompson who, at 31, becomes Barbados' youngest-ever finance minister. Thompson, general secretary of the ruling Democratic Labour Party (DLP), who is seen by some analysts as a DLP leader in waiting, is currently minister of state in the Ministry of Finance.

In the other major change, Branford Taitt was appointed minister of foreign affairs. Taitt for the past several weeks has been at the centre of controversy surrounding a state-owned hospital. Earlier this week, the opposition Barbados Labour Party (BLP) tabled a resolution in the House of Assembly seeking a vote of no-confidence in him as health minister, and asking for his resignation.

The cabinet changes, announced at the halfway stage of the DLP government's second five-year term and ahead of the start of the ruling party's annual conference this Sunday, are effective on September 1.

Sandiford, speaking to reporters after announcing the changes, rejected as "ridiculous" a suggestion that his decision to relinquish finance represented an admission of failure. When the economy entered a tailspin in 1991 which necessitated Barbados' entry into an International Monetary Fund-supported stabilisation programme, the private sector and other interest groups had called for Sandiford's resignation as finance minister but he ignored the calls.

Sandiford said the changes were aimed at bringing "a fresh momentum to this new phase that we are entering into," an apparent reference to the structural adjustment phase of the government's economic recovery programme which cleared a major hurdle this week with the announcement that the government had agreed with labour unions and the private sector on a two-year prices and incomes policy. The policy, under which basic pay in the private and public sectors will be frozen for the two years, represents a key plank in the government's strategy to reverse a decline in Barbados' competitiveness and set the economy on a path to export-led sustainable growth. [passage omitted including previously covered material]

The two ministers who were untouched are agriculture, food and fisheries Minister David Bowen and trade, industry and commerce Minister Warwick Franklin. [passage omitted]

Addresses Economy

FL2908232593 Bridgetown CANA in English 2812 GMT 29 Aug 93

[Report by Hallam Hope]

[Text] Bridgetown, Barbados, Aug 29, CANA—Barbados' economy is showing signs of improvement and a capital works programme to be stepped up will provide more jobs for the unemployed, Prime Minister Erskine Sandiford said Sunday.

Sandiford delivered an upbeat address to the ruling Democratic Labour Party (DLP) today in which he also cited signs of economic improvement, stressed the need to continue economic reform, and attacked unnamed media "enemies," whom he blamed for spreading negativism with the aim of destabilising the DLP and the government.

Sandiford, who was leaving today for a meeting Monday of Caribbean leaders with U.S. President Bill Clinton, said the government had rebuilt the nation's foreign exchange reserves, balanced the budget for the financial year ended March 31, a first in 15 years, and prevented a devaluation of the local dollar, worth 50 cents U.S.

"We have been able to keep our solemn commitment to the public sector workers of Barbados by restoring to them the eight percent cut (in salaries) as promised. No praise is too high for those workers who answered to calls to do what was in their best interest, and in the national interest.

"We trusted them; they trusted us. This was no anti-worker action; it was pro-worker action, since all workers would have been worse off by any other approach," said the prime minister. One of the prices of the government's stringent economic policies has been loss of jobs, with the rate of unemployment estimated at 27.1 percent for January to March this year.

Describing the figure as unacceptable, the prime minister said the government was stepping up its capital works as well as training and re-training programmes. A facility to host an international conference on sustainable development next April, road and school projects are part of the works programme.

"We intend to work tirelessly to get the unemployment rate down," said the prime minister. He reported stay-over tourist arrivals for the first seven months of the year grew 2.7 percent to 231, 925, compared with the same period last year. Barbados was also reported to have received more than 1,000 new applications from international companies which operate financial services, since April.

Sandiford said a recently-signed agreement between the government, trade unions, and the private sector on a prices and incomes policy, the creation of a national productivity board, and a phased liberalisation of

domestic barriers to trade were geared to making the island's exports more competitive internationally.

"We must also take into account the view that Barbadians, both at home and overseas, wish to maintain the existing fixed exchange rate between the Barbados dollar and the U.S. dollar," said the prime minister. "We in Barbados have two choices in this respect. Either we introduce a prices and incomes policy to help reduce the cost of exports, or we go the route of the currency devaluation to achieve the same result."

Sandiford commented on what he described as, "the very high levels of the unbridled negativism and vicious proclivities which seem to be prevailing in opposition politics for some time now." He added: "At every turn, this government and this party has had to contend with some of the most unpatriotic, destabilising, and destructive and political manoeuvering any party has had to face in this country. And I will tell you, a lot of this opposition is not just coming from the official opposition but also from the unofficial opposition in the media."

The prime minister, whose remarks were sprinkled with witty comment, to laughter and applause from party delegates, expressed confidence in his cabinet, which was substantially reshuffled last week. Sandiford was expected to easily beat off a challenge to his party chairmanship from radio call-in host, Walter Blackman.

On international issues, the prime minister said the fundamental goals of the United States and the Caribbean Community (Caricom) with regard to Cuba were similar.

"We both wish to see a truly democratic system of government in Cuba, and we wish to see a democratic Cuba become an active member of the inter-American family. We must both work to achieve those objectives by peaceful means," said Sandiford. Caricom, which is moving to establish a joint commission with Cuba to explore technical cooperation, has been criticised by members of the U.S House Subcommittee on Western Hemisphere Affairs.

DLP Leadership Challenger Disputes Defeat

FL3108223193 Bridgetown CANA in English 2053 GMT 31 Aug 93

[Text] Bridgetown, Barbados, Aug 31, CANA—The lone challenger to the presidency of the ruling Democratic Labour Party (DLP) in Barbados lost officially by an overwhelming margin, but is claiming victory over Prime Minister Erskine Sandiford.

Actuary and radio talk show host Walter Blackman says he is considering taking legal action if he is not declared leader of the DLP. Blackman claims unfinancial delegates gave Sandiford most of the 360 votes the Barbados leader polled.

The challenger, who cited the party's audited accounts to support his victory claim, received 37 votes. He has written DLP General Secretary David Thompson on the matter and threatened a legal case if there is no response.

Thompson was quoted by the DAILY NATION newspaper as saying Blackman got his figures wrong and some financial members way well have paid their annual dues for several years. Party delegates expressed rousing support for Sandiford prior to the vote Sunday.

Dominican Republic

Island Looks To Closer Ties With Caricom

FL2608180393 Bridgetown CANA in English 1749 GMT 26 Aug 93

[Report by Reudon Eversley]

[Text] Santo Domingo, Dominican Republic, Aug 26, CANA—The Dominican Republic, through two separate studies to be conducted shortly, will be seeking to identify available options for getting more involved with the Caribbean Community (Caricom) and other existing or proposed economic integration schemes in the region.

The influential National Council of Businessmen, the initiator of one of the studies, has hired three prominent local economists—former Central Bank Governor Bernardo Vega, Association of Caribbean Economists President Miguel Ceara Hatton, and Carlos Despradel, another former Central Bank governor—to conduct the study which involves extensive travel through the region.

Vega, who heads the Santo Domingo-based Cultural Foundation of the Dominican Republic, told CANA the other study was being undertaken by the government with help from the United Nations Development Programme (UNDP). A government commission, headed by Vice President Carlos Morales Troncoso, is overseeing efforts at the official level to link up this Spanish-speaking Caribbean Republic with economic integration schemes in the region.

"We are working closely with them to the extent that while both are doing the study, we can pass information along to each other," Vega said in an interview.

Integration schemes to be examined include Caricom in which the D.R. currently has observer status, the proposed Association of Caribbean States (ACS), the Central American Common Market (CACM), and the proposed North American Free Trade Agreement (NAFTA).

Said vega: "The private sector of the Dominican Republic realizes that the decision as to how the Dominican Republic will integrate into (these) economic blocs is much too important a decision to be left to politicians.

"Since the main actors in any process of economic integration are businessmen, they have taken upon

themselves to (sponsor this) six month long study on all the different alternatives which the Dominican Republic has in relation to regional economic integration."

The quest by the Dominican Republic for a closer relationship with its neighbours coincides with the dismantling of an inward-looking development model that kept the local economy virtually closed for decades. Over the past decade, the government has introduced wide-ranging reforms that have opened up the economy to international trade and foreign investment and, at the same time, raised national awareness about the benefits of international integration.

In giving reasons for sponsoring the study, the National Council of Businessmen said it was "interested in the future of the Dominican Republic and the way it can be influenced by the policy the country adopts in relation to its integration into the regional and global economy."

The first draft of the report is expected to be ready by next January. After it is discussed within the council, the plan is to present the findings and recommendations to the government and have the widest possible public debate. The hope is that the recommendations will influence government policy.

Following the Dominican Republic's entry in 1990 into the African, Caribbean, and Pacific (ACP) Group and its simultaneous eligibility for European Community aid under the Lome Convention, analysts here said the Dominican Republic has taken a deeper interest in Caricom.

Vega, who did a landmark 1966 study on the possibilities for economic integration between the D.R. and the English-speaking Caribbean, said the D.R. having full membership in Caricom would help to cement ties between the English-speaking Caribbean and Latin America.

"You have to see us like when you throw a stone in a pool, the circles getting bigger as a result," he said. "You can see Caricom increasing in size through the D.R. membership and then progressing into a bigger area (that) could very well be all the countries that are washed by the Caribbean Sea...."

Haiti

Malval Addresses OAS Permanent Council 30 Aug

FL3108163993 Port-au-Prince Radio Metropole in French 1045 GMT 31 Aug 93

[Text] The new Haitian prime minister addressed the OAS Permanent Council on 30 August. Robert Malval reiterated his commitment to help reestablish democracy in Haiti.

In a message read in Washington before the OAS Permanent Council, the new prime minister requested the help of the international community so that, quote, the new-born political hope does not change into social despair. [no ending quote as heard]

The international solidarity that forced the military to negotiate the return of President Aristide must foster hopes that the march toward democracy in Haiti is now irreversible, he said. To extract Haiti from the vicious circle of poverty, Malval believes the international community must relieve the Haitian people of an external debt of $750 million for aid contracted on behalf of the Haitian people but never used to its benefit.

Answering the questions of Haitian Prime Minister Robert Malval, the president of the OAS Permanent Council emphasized the urgent necessity for the international community's support to help Haitian democracy.

Malval also sent a severe warning to the forces that will attempt to block the restoration of democracy in Haiti, quote: They can kill us, but no one, nothing, will kill the dream of democratic freedom of the Haitian people, unquote. In his speech before the OAS, Robert Malval pointed out that since 1804 the Haitian people have been searching for the three virtues advocated by the French Revolution: freedom, equality, and fellowship. He also said justice, freedom, and democracy were one cause.

In conclusion, the new Haitian prime minister promised the international governments and organizations that help Haiti an exemplary accounting and the greatest transparency in management that Haiti has ever known.

International Mission To Meet With Army, Government

FL3108203593 Port-au-Prince Radio Metropole in French 1600 GMT 31 Aug 93

[Text] Dante Caputo and Lawrence Pezzullo have a new mission in Haiti. The international mediator and the U.S. representative are expected today, 31 August, in Port-au-Prince for a 48-hour mission. Both diplomats will be accompanied by people in charge of military, technical, and police missions, including a U.S. Army colonel and a quartermaster from the Canadian Police.

Talks are scheduled with officials of the Haitian Army and the new government regarding modernization of the Haitian Armed Forces and the training of a new police force in Haiti.

Jamaica

'The Center Cannot Hold,' Says Seaga of Government

FL3008205093 Bridgetown CANA in English 1855 GMT 30 Aug 93

[Text] Kingston, Jamaica, Aug 30, CANA—Faced by widespread resistance to its tax package and unable to halt the slide of the dollar, the Jamaican Government is

in deep trouble just six months after winning a massive parliamentary majority, opposition leader Edward Seaga has said here.

Seaga told the nation via a paid radio broadcast Sunday government's 40 billion dollar (JA) budget, approved six weeks ago, was being recast because of its inability to meet tax projections. The opposition leader repeated previous charges that the media and other "public interest bodies" were indulging in a "conspiracy of silence" regarding the problems being faced by the Percival Patterson-led government of the People's National Party (PNP). Seaga said Jamaicans had rejected the three billion dollar tax package announced in June and government was buckling.

"The centre (government) cannot hold. It is giving in to the high pressure demands of special-interest and ordinary taxpayers who are genuinely hurting," he said. He noted that the government had already deferred until next year and reduced the hike on the cruise ship passenger head tax. Additionally the hotel industry, the financial, building, and transportation sectors were also resisting taxation demands. Property owners would also find themselves being asked to pay up to ten times the previous rates in property taxes, leading to further dissatisfaction, he said.

Turning to the foreign exchange problems, Seaga said the commercial banks and the Central Bank had been marginalised by a thriving black market. He said a study of the foreign exchange flows showed only 23 percent pass into the commercial banking system, of which more than 50 percent goes to the Central Bank and the state-owned Petroleum Company (Petrojam), to cover such demands as debt serving and the oil import bill.

"This mere dribble of foreign exchange into the commercial banks is indicative of the fact that the banks are now irrelevant to the trade and payments system involving foreign exchange, and it is the unofficial or black market which deal with more than three quarters of the foreign exchange flows which will continue to set the real rate of exchange," he said.

Seaga said that by making it possible for "everyone to legally hold and transfer foreign exchange abroad, creating their own accounts from which they can deal directly," the government had created a "monster" which it could not tame. He charged that U.S. dollars were now selling on the black market for 29 to 30 Jamaican dollars compared with the 25-26 rate in the banks. He accused various interest groups of biased behaviour in their response over the years to government.

"It does not require much imagination to visualise how we (Jamaica Labour Party) would have been castigated and condemned by the media, the church, private sector oprganisations, teacher organisations, agricultural associations... Yet what now exists in reality in the face of all this is a conspiracy of silence by public interest groups who are saying that public condemnation of bad governmnent is the task of the opposition, a position which was never held in our time when there was an open hunting season and everyone took pot shots at the government," Seaga said.

Netherlands Antilles

Curacao To Hold Referendum on Status 19 Nov

BR2608130493 Amsterdam DE VOLKSKRANT in Dutch 25 Aug 93 p 7

[Unattributed article: "People of Curacao To Vote on Status in November"]

[Text] With the referendum to be held on 19 November, the people of Curacao will have the opportunity to influence their political future. If, on that date, no absolute preference emerges for one of the four options submitted, then a second vote will be held on 26 November, according to an opinion offered by the Curacao referendum committee to the board of governors and the island council.

The voters can choose from among the following options: Curacao remains a part of the Netherlands Antilles; it receives the status of an autonomous country within the Kingdom of the Netherlands; it becomes a part of the Netherlands; or it goes its own way as an independent state. If, during the first round, none of the options receives 50 percent of the vote, then a second round will be held, at which time the choice will comprise the two options that received the most votes in the first round. The referendum will be preceded by an eight-week impartial and objective information campaign, says the advisory committee.

Mexico Lifts Sanctions on Haiti, Resumes Cooperation

PA3108145293 Mexico City NOTIMEX in Spanish 0331 GMT 31 Aug 93

[Text] Mexico City, 30 Aug (NOTIMEX)—On 31 August, Mexico will resume its economic cooperation programs with Haiti and explore measures with the new democratic government of that country to strengthen cooperation agreements, the Foreign Relations Secretariat reported today.

A Foreign Relations Secretariat communique said that in response to a request by the UN and OAS secretaries general, the Mexican Government has eliminated all sanctions against that Caribbean nation. The secretaries general of those organizations urged the member countries to lift on 31 August the sanctions that had been imposed at the request of the United Nations and the OAS on the de facto Haitian Government as of September 1990. The process of restoring democracy in Haiti has begun now that Robert Malval has been sworn in as the new Haitian prime minister.

The Foreign Relations Secretariat explained that the Mexican Government has decided to increase its diplomatic representation before the Haitian Government to the highest level. Ambassador Sergio Romero Cuevas, who was head of Mexico's diplomatic mission in Haiti until 1990, left for Port-au-Prince to attend the new prime minister's inauguration and to resume his diplomatic functions as head of the Mexican Embassy.

Mexico was the first country to withdraw its ambassador from Port-au-Prince after General Raoul Cedras led a military coup against Aristide on 30 September 1990.

President Aristide swore in businessman Robert Malval as new prime minister of his government at the White House on 30 August. Malval will assume his post on Tuesday in Port-au-Prince.

Cocaine Base Disguised as Cream Cheese Seized

93wb0058F Mexico City EXCELSIOR in Spanish 5 Aug 93 pp 3-A-1, 3-A-4

[Article by Rafael Medina]

[Excerpts] [passage omitted] Approximately 100 kg of cocaine base, camouflaged as a shipment of double cream cheese, was seized by Federal Judicial Police agents in a counternarcotics operation. [passage omitted]

According to the news report submitted to the Federal Judicial Police director, Rodolfo Leon Aragon, in Chiapas State, agents from the force discovered 98 kg of cocaine base at a parcel service in the town of Tapachula.

Based on the estimates made by experts, if the drugs had been marketed in the United States, they would have put into circulation over 200,000 doses of the alkaloid, with a consumer market price exceeding $24 million.

The cocaine was camouflaged as double cream cheese and, according to the waybill, was bound for Mexico City. The preliminary investigation disclosed that the drugs had come from Colombia and were smuggled into the national territory across the Guatemalan border.

The Federal Public Prosecutor's Office in Tapachula is continuing the investigation to locate and, if possible, arrest the consignee of the "cheese" shipment, as well as the one who sent it. [passage omitted]

Marijuana in Court Custody Stolen

93wb0058E Ciudad Juarez DIARIO DE JUAREZ in Spanish 6 Aug 93 p 12-B

[Text] A special group from the Federal Judicial Police [PJF] General Directorate assumed responsibility for investigating a presumed theft of marijuana that occurred at a storage place in the custody of a district court.

The investigation was taken over by the group after the PJF's local assistant representative's office issued a report on the case, in which some members of that force were possibly implicated.

Zacarias Garcia Velez, the PJF's assistant representative in Chihuahua, noted that the probe has been conducted without issuing any local reports.

Garcia remarked: "I contacted Mexico City, and they informed me there that I was being withdrawn from the investigation. Since then, a group sent from the capital has taken charge of the case."

The special group was due to continue the investigation in early July.

The storage place from which over 1,000 kg of marijuana presumably was stolen was searched by PJF members on 13 May.

The police intervention led to the capture of one man and the seizure of another 1,000 kg of the drug. Since then, the building has remained at the disposal of a federal court.

According to the investigation, the rest of the marijuana was removed a few days later by its owners, who violated official seals and drilled holes in the walls of the storage building, located in the Colonia El Granjero.

The drugs were not found during the authorities' inspection, because they were hidden in a tank buried several meters underground.

The commander heading the operation at that time, Isaac Sanchez Perez, was dismissed by the Office of the Attorney General of the Republic [PGR], along with 61 other members whom the department linked with the drug traffic.

Garcia Velez claimed that he could not take charge of the investigation because there was speculation on the possible complicity of certain federal agents.

According to accounts given by some neighbors of the storage building, they saw PGR official vehicles a few days after the confiscation. They speculated on the possible participation of federal agents in the theft of the marijuana, which to date has not been found.

El Salvador

TSE Magistrate Denies Receipt of U.S. Financial Aid

PA3108164293 San Salvador Radio Cadena YSU in Spanish 1230 GMT 26 Aug 93

[Text] Jaime Romero Ventura, Supreme Electoral Tribunal [TSE] magistrate and member of the Nationalist Republican Alliance [ARENA], has denied the U.S. Government gave the TSE $6 million to finance the TSE's work in the coming elections. The magistrate described statements made by U.S. Charge d'Affaires Peter Romero as negative.

[Begin recording] [Jaime Romero] The report is completely false. There is a standing agreement between the Salvadoran and U.S. Governments for a donation of $545,000 for the TSE. This is a very negative report on Mr. Romero's part. I invite him to show the Salvadoran people the receipts, because they have not delivered even five cents yet. Not only that, the allocation included funds to buy 20 pickup trucks for the TSE so the departmental and regional directors and the national coordinator could each have one. From the very beginning we told them the TSE did not want to participate in the purchase and that they should buy the vehicles in the United States. After three months they reported that they were unable to buy the trucks in the United States because no 1993 models were available and that we would have to wait for the 1994 models. We told them 1992 models would suffice, yet we have received nothing. It is so sad that this gentleman is playing into the hands of the leftists in the attempt to blame the TSE for the failure to deliver the voter registration cards. This reveals the Farabundo Marti National Liberation Front's hand in blaming us all along.

[Reporter] Do you mean they are trying to destabilize the process?

[Romero] The FMLN has always tried to destabilize it. They have launched a campaign to discredit the TSE by saying it is our fault that the voter registration cards have not been distributed to the voters. That is completely false. We have done everything possible. They keep saying it is our fault, but they are never willing to accept the fact that people no longer believe in them. Fortunately, with this proposal the voter registration card will be an official personal identification document as of 1 January. I think that will help us all. The TSE is more interested than anyone in distributing the largest possible number of voter registration cards. [end recording]

Guatemala

Peasant Group Leaves CSJ, Awaiting Investigation

PA3108134593 Panama City ACAN in Spanish 2331 GMT 30 Aug 93

[Text] Guatemala City, 30 Aug (ACAN-EFE)—The peasants who had been occupying the Supreme Court building left the premises on 30 August after the Supreme Court president pledged to send a mission to northwestern Guatemala to determine why 15 paramilitary members accused of homicide have not been arrested.

Supreme Court of Justice (CSJ) President Juan Jose Rodil Peralta promised the peasant leaders that he would send a commission to Huhuetenango Department to see if judges are being pressured to prevent the arrest of the alleged killers of Indian Juan Sanai Pablo, who was murdered on 3 August.

A group of Indian members of the Peasant Unity Committee (CUC) peacefully took over the CSJ building on 30 August to demand that Rodil order the arrest of the civil patrolmen.

CUC leader Rosario Pu told ACAN-EFE that the takeover lasted about five hours and ended after Rodil promised to send two inspectors to Huehuetenango on 31 August to see why the judge had not issued an arrest warrant. Pu said the patrolmen gunned down Indian Juan Sanai Pablo in Colotenango while the CUC was demonstrating against compulsory military service and demanding that patrols be eliminated. The leader said the Civilian Self-Defense Patrols (PAC), which were created in the last decade and given weapons by the Army, claim that the CUC is aligned with the guerrillas to justify violence against CUC members. Rosario Pu rejected any link between the CUC and subversion and said the group only seeks punishment for those responsible for the murder. Pu explained that a foreign journalist and three peasants, including a minor, were wounded in the incident. The minor has been transferred to a private facility in Guatemala City due to her delicate condition.

The court takeover ended without incident, even though security forces had the building under surveillance and the doors closed. The CUC leader said her group also took over the Attorney General's Office building on 26 August to demand that justice be done. She added that the measures were taken because the justice courts had not replied to the group's demands one month after the incident.

In an open letter to Guatemalan President Ramiro de Leon Carpio, the CUC demanded that the president intervene with the organizations to ensure compliance with the law and end impunity.

According to Pu, the commission to visit Huehuetanago tomorrow is made up of two CSJ inspectors, CUC members, and Labor and Popular Action Union representatives. The Popular Action Union is Guatemala's largest labor union with 1 million members.

The leader reported that the village of Colotenango is controlled by paramilitary groups, who have also threatened the lives of CUC representatives in Huehuetenango.

Congress President on Deputies' Decision to Resign

PA3108173093 Guatemala City Teleonce Television in Spanish 0400 GMT 31 Aug 93

[Text] Congress President Fernando Lobo Dubon has said that the Christian Democratic Party's decision is a show of political will, and if it comes to fruition, it will force President Ramiro de Leon to meet certain demands:

[Begin recording] [Lobo] We echo the call made by the president, not only through his various [words indistinct] but also during a nationwide message broadcast on a national television network. We want to show our goodwill and political determination. The 23 Christian Democratic deputies will tender resignations before the Congress plenum as soon as other deputies tender theirs.

We would be helping the president begin a genuine transformation process in the country. The Guatemalan people would have a totally new congress. We would simply have to discuss what mechanisms should be followed to ensure that the transition between congresses does not create a power vacuum and that the country's institutions are never jeopardized.

After doing this, however, we will demand that President de Leon continue making transformations. We will demand that he purge and reorganize the executive branch, which handles more than 98 percent of the budget, and that he reorganize the entire economic and social system in our country. We want him to meet the demands of our country's technical sector.

[Unidentified reporter] What will happen if one out of 116 deputies decides not to tender his resignation?

[Lobo] I think everyone will. We will ask the president to help us after we submit our resignations. We want other deputies to tender their resignations to pave the way for a true national transformation. [end recording]

URNG Statement Supports Purge

PA3108153293 Guatemala City SIGLO VEINTIUNO in Spanish 28 Aug 93 p 39

[Statement issued by the Guatemalan National Revolutionary Unity, URNG, General Command on 27 August; place not given]

[Text] Statement from the Guatemalan National Revolutionary Unity [URNG] General Command to the Guatemalan people:

The events currently under way in the country prove that the institutional crisis, which existed before 25 May, has not been solved and that its causes still prevail. The crisis is worsened by the current political confrontation between the executive branch and the legislative and judicial branches and provoked by powerful political and business groups that oppose the country's democratization.

The URNG believes that a purge of the three state branches and their institutions is legitimate and necessary. In order to have an effective rather than partial purge, it must be accompanied by measures that meet the people's key demands for democratization.

This historic moment represents an opportunity for all groups in civilian society to use their political strength to achieve not only a purge of the state branches but also the country's overall democratization. We urge all people to express publicly their support for true and effective democratization actions from the state and society, demanding:

1. A purge of the three state branches and their institutions, not to exclude the Army.

2. The country's immediate demilitarization, beginning with the dismantlement of the Civilian Self-Defense Patrols and the elimination of compulsory military service.

3. Full respect and enforcement of human rights, which requires the urgent and unpostponable signing of an Overall Human Rights Agreement between the government and the URNG with immediate implementation and international supervision.

The purge must be accompanied by the fulfillment of other demands so it does not become merely a demagogic and senseless action. It must take place within the framework of a widespread struggle and mobilization for Guatemala's democratization.

[Signed] URNG General Command

Commander Rolando Moran

Commander Pablo Monsanto

Commander Gaspar Ilom

Carlos Gonzalez, Secretary General of the Guatemalan Labor Party's Central Committee

[Dated] 27 August 1993.

Honduras

Liberal Party Office Attacked; No Injuries

PA3108201993 San Pedro Sula TIEMPO in Spanish 31 Aug 93 p 46

[Text] San Pedro Sula—Unidentified individuals opened fire on the Liberal Party of Honduras [PLH] office on Northern Boulevard on the morning of 30 August. There were no injuries. One of the front windows of the building called the "Northern Bunker" was riddled with five bullet holes, presumably produced by a 9-mm pistol. Watchman Marco Tulio Ramos, who was in the back of the office, said he did not hear the car, only the shots. He said he could not identify those responsible for the shooting.

PLH leaders, who were in the building, described the incident as very serious and called for a police investigation to find those responsible. Without mentioning any names, PLH leaders said the attack was perpetrated by the "other party" (National Party of Honduras, PNH), because "they want to harass and threaten the PLH. It is an act of desperation."

"This is similar to the old tactics employed by the United University Democratic Front, although we cannot say who did it," Anibal Delgado Fiallos, PLH regional campaign coordinator, asserted. "No political group can be judged, but you can judge some of its members. This reminds us of the shootings at the university," he said. Delgado Fiallos said that if PNH supporters were responsible for the shooting, they did it out of desperation over the advancement of the PLH in San Pedro Sula, where the party has a 17-percent edge over its rival. "I hope this matter is clarified so the other party does not launch a self-inflicted attack and blame it on us," the PLH official argued.

Delgado Fiallos said that fortunately there were no casualties, despite the fact that people were working on the census purge at the PLH office until 2300 on 29 August. Delgado Fiallos said he will report the incident to the police, electoral institutions, and international organizations that oversee electoral processes throughout the world.

Meanwhile, Miguel Mejia, a member of the PNH Reaction Commission, accused Anibal Delgado Fiallo of launching a self-inflicted attack on the PLH office in complicity with members of the Cinchonero People's Liberation Movement. "Since Delgado Fiallos knows that he is virtually defeated as the PLH representative in Cortes Department, he invented this attack to blame PNH supporters," Mejia noted. "Mr. Anibal is used to this kind of thing, as he set Bemis Handal Industry on fire. He now wants to set the electoral campaign on fire and has sent members of the Cinchonero People's Liberation Movement to do so," the PNH leader asserted. He concluded that the PNH regrets what happened, adding that their only weapons are words.

Nicaragua

Chamorro Agrees to Bilateral Talks With UNO

PA3108214493 Hamburg DPA in Spanish 1957 GMT 31 Aug 93

[Text] Managua, 31 Aug (DPA)—Nicaraguan President Violeta Chamorro today accepted demands made by the National Opposition Union [UNO] to hold a bilateral dialogue with the government before beginning tripartite talks, which will include the Sandinist National Liberation Front (FSLN). The government-UNO-FSLN talks are intended to reach a consensus among political forces and attain stability in Nicaragua.

UNO, through Vice President Virgilio Godoy, after a meeting with the Political Council yesterday, demanded bilateral talks. President Chamorro welcomed such a dialogue two hours before the tripartite talks were scheduled to start, according to Presidency spokesman Danilo Lacayo. The meeting between the government, the FSLN, and UNO's progovernment alliance is scheduled for 1800 [2300 GMT] at the Presidential Palace. The government will present an eight-point agenda that ranges from official appointments to constitutional reforms.

The Central American foreign ministers, who are aware of dialogue conditions in Nicaragua, may observe the start of the dialogue in Managua. The diplomats met today at midday with National Assembly President Gustavo Tablada, Cardinal Miguel Obando y Bravo, and they will meet with private businessmen this afternoon.

Cardinal Obando y Bravo, in statements to the press, said a dialogue in Nicaragua is urgent. If talks fail, there is danger of a renewed "outbreak of violence in Nicaragua," the cardinal warned.

On 3 May, President Chamorro summoned all Nicaraguan active forces to a national dialogue, but the FSLN and UNO have yet to meet at the same bargaining table. UNO has demanded the resignation of several officials in a previous agreement with the government, while the FSLN has been proposing a dialogue without preconditions.

Nicaragua, which waged a war between the Nicaraguan Resistance ("contras") and the Sandinist People's Army in the eighties, is undergoing an overall crisis that particularly hurts the poor.

Foreign Minister on Dialogue With UNO, FSLN

PA0109051593 Managua Radio Nicaragua Network in Spanish 0134 GMT 1 Sep 93

[News Conference by Foreign Minister Ernesto Leal with foreign and domestic reporters, and hosted by an unidentified moderator, at the Presidential Palace in Managua on 31 August—live relay]

[Text] [Leal] I am going to be brief because you already have the information from the people who participated in this first meeting. I would add that the government met earlier with the National Opposition Union [UNO] and then with the Sandinist National Liberation Front [FSLN] together with the five Central American foreign ministers.

I believe we have been successful thanks to the government's initiative to convene a national dialogue to achieve a national agreement, which is so important for the Nicaraguan people. I would say the Nicaraguan people have been the winners in the wake of this meeting. I believe the winner is the Nicaraguan people, as I said.

On 1 September at 1000 we are going to initiate bilateral rounds of talks between UNO and the government. On Monday, 6 September at 1000 we are going to initiate the national dialogue with the participation of UNO, the FSLN, and the government in search of a national agreement that can truly consolidate peace and democracy to enable the Nicaraguan people to live in complete stability.

This is a summary of what happened. I know you have all the information in your hands, and I am now ready to take any questions from you.

[Moderator] Roger Solorzano, Carlos Salgado, Juan Carlos Meneses, Rosemary Thornton, Maria [name indistinct] de Diaz, and Eduardo Henriquez from LA TRIBUNA will ask questions.

[Solorzano] Mr. Leal, what will be the importance of the agreements reached in the bilateral talks between the government and the UNO, bearing in mind that a meeting with the FSLN will be held next? What role will be played by the Group of Center as a parliamentary faction? Has the Group of Center been will it be represented by someone?

[Leal] If the government reaches an agreement with UNO, it is going to be a bilateral commitment. The agreement will be bilateral in nature. Obviously, the national agreements will be national in nature. The other agreements reached will be bilateral agreements. As for your second question, the Group of Center is member of the National Assembly. It is a representative political group and we believe it plays a very important role within the National Assembly.

[Moderator] Mr. Carlos Salgado.

[Salgado] Foreign Minister Leal, there is international concern over Nicaragua. Proof of this is the participation of the foreign ministers in this entire process. Nevertheless, we have seen that the assistant secretary of state, Mr. Watson, has contacted the parties involved in the conflict in Nicaragua. What role does Mr. Watson or the U.S. Government play in this entire affair and in seeking a solution in Nicaragua?

[Leal] You would have to talk to the people you say spoke with him.

[Salgado] Vice President Virgilio Godoy spoke with Mr. Watson, and the government of Mrs. Chamorro has relations with the U.S. Government. You should, therefore, be informed of any type of communication.

[Leal] The fact that we have diplomatic, fraternal, and friendly relations with a country does not mean we are going to be aware of all telephone calls made by the government.

[Moderator] Mr. Meneses Vallecillos?

[Meneses] Foreign Minister Leal, do you as a representative of the Nicaraguan Government in the dialogue believe solutions can be found in this country, where there is no production and where there is chaos and anarchy? Among the nine points that could possibly be discussed on 6 September, the principal point is the dismissal of General Humberto Ortega and Engineer Antonio Lacayo. Could this be a solution if production is not increased or an economic development is not achieved in this country?

[Leal] Obviously, the aspects of production, the economy, and the political situation in Nicaragua is what prompts us to convene a national dialogue. Otherwise the three parties would not be unanimously seeking a national agreement, which is so important for the Nicaraguan people. This is why we want to reconcile our positions and this is why we want the FSLN and UNO to find a national agreement. We have to wait and see what the different political parties decide. The most important thing here is the search for the institutionalization of democracy once and for all in this country.

[Moderator] Mrs. Rosemary Thornton of [name indistinct] television.

[Thornton] Foreign Minister Leal, I do not like to be negative, but there is not a lot of confidence. What makes you think a national agreement is now possible?

[Leal] We have seen, for the first time in three and a half years, the UNO, the FSLN, and the government have sat down to talk. We are enthusiastic about this and we hope to achieve our goal. Furthermore, we have pledged to sit down and talk at 1000 on Monday, 6 September. The fact we are willing to sit down means we are willing to talk. We will not talk about easy things. We will talk about things on which we disagree, as well as things on which we do agree.

We intend to achieve a national agreement that is feasible for all Nicaraguans. The government has already stated its political determination to do this. When I say the government I obviously mean Dona Violeta because she is the one who adopted the initiative for a national agreement. Also, she is supported by UNO and the FSLN, both of which have said they will sit down to talk at 1000 on Monday. This is why we feel confident we can achieve an agreement. I think it is time Nicaraguans reached a national agreement or the country... [pauses] like one journalist said, the international community will think we are incapable of adopting an agreement.

[Moderator] Mrs. Maria Salaverria of UNIVISION.

[Salaverria] You say everyone will meet at 1000 on Monday 6 September, but do you believe the FSLN will support the idea of a pact between the government and UNO?

[Leal] What do you mean?

[Salaverria] Do you think a pact between the government and the UNO will be immediately supported by the FSLN?

[Leal] I cannot talk on behalf of the FSLN. We hope to reach an agreement with UNO and later reach a national agreement. The tripartite agreement, meaning UNO, the FSLN, and the government, will have a national character.

[Salaverria] What kind of pact will be made now with UNO? What will you discuss during the first five days, aside from the nine points of the agenda?

[Leal] UNO has submitted an agenda. I do not know if everyone knows about this. The agenda reviews the nine points in detail. In fact, a few minutes ago we realized that we coincide on many things listed on the agenda. This will not separate us. Instead, it will unite us.

[Moderator] Journalist Henriquez of LA TRIBUNA.

[Henriquez] Good evening, engineer. I have two questions. The first one is: Dr. Duilio Baltodano said the first point to be discussed tomorrow is the UN's verification of the dialogues. This is something the government previously rejected. Is there any possibility that the government will now accept that verification? This is my first question.

[Leal] We must first see. When you talk about the UN you are not talking in specific terms. The UN comprises various organizations which engage in different activities. We will have to see what they mean when they talk about UN participation. What specific organization do they mean? Will this call for the creation of a special organization, like the UN Observer Group in Central America or the UN Observers for El Salvador? This must be carefully analyzed. You know OAS Secretary General Joao Baena Soares will arrive here on 8 September. We do not.... [pauses] now that we have the Central American foreign ministers, who represent all Central American presidents, we have no objection to adding one or two more. Nevertheless, the issue of international verification must be carefully outlined or else we will end up with countless participants. We might even have more mediators than participants.

[Henriquez] Engineer, the second question is this: World Bank and Inter-American Development Bank [IDB] representatives also held talks with the foreign ministers and the government. What kind of support did these people give? Did they exert some kind of pressure?

[Leal] The World Bank and the IDB did not meet with the government on this occasion. I understand they met with the Central American foreign ministers at 1400 today. I cannot tell you what they talked about because I did not attend the meetings.

[Moderator] We have reporters Erica Ramirez and Ada Luz Monterrey, and journalist (Li Tian) of the XINHUA NEWS AGENCY. Reporter Erica Ramirez is first.

[Ramirez] Please clarify the verification matter for me. During the initial bilateral meetings between UNO and the government, this was one of the issues that led to the collapse of the dialogue. Please clarify whether it has been decided, for the new bilateral UNO-government meetings, that the only verification mechanism will be the foreign ministers' representatives or will this include the UN, the church, and so on? What will be the verification mechanisms?

[Leal] Let us be practical. Today is Tuesday. The foreign ministers return to their countries tomorrow. Tomorrow at 1000 begins the UNO-government bilateral meeting. Who is going to verify this? Are we going to bring the UN here overnight? We are talking about real and practical issues. This is a real situation. To be honest, we are not talking about a verification taking place tomorrow nor the day-after-tomorrow either.

You cannot mobilize an organization like the UN overnight. Matters have to be well-organized; a government request must be made; the government has to agree to do this; and international requirements have to be met. Tomorrow, as far as I know, there will be no verification. The foreign ministers are leaving tomorrow morning. I do not see how they are going to be able to verify this meeting.

[Moderator] Mrs. Ada Luz Monterrey.

[Monterrey] It is said that we, women are inquisitive. There was the general opinion that the national dialogue would begin today, Wednesday [as heard]. In your opinion, why was the tripartite dialogue postponed? As we see it, there was a tripartite meeting today. The three sides met. What were the main reasons for not initiating the dialogue today and for postponing it five days?

The secretary general of the FSLN has said that in his opinion this five-day wait is a waste of time. In Nicaragua, every second counts. This is a suffering country. Why wait five days? What do you, as a government, think about this?

[Leal] It was postponed five days by request from UNO, which said that it is not ready for a national dialogue until it holds a bilateral dialogue with the government. The government accepted this for the sake of the well-being of the Nicaraguan people.

[Moderator] Journalist (Li Tian), of XINHUA.

[(Tian)] Good evening, Mr. Foreign Minister. I would like you to clarify two things for me because I am confused. Daniel Ortega has said that if there is no tripartite agreement there cannot be a verification commission. How do you explain that?

[Leal] Are you saying that if there is no tripartite agreement, there cannot be a verification commission? First of all, if there is no agreement, there cannot be a verification. I do not know what Commander Ortega meant when he said that. The important thing is what I was telling her a moment ago: that there will not be a verification commission tomorrow. The government and UNO did not speak about a verification tomorrow. The foreign ministers leave tomorrow. The verification will take place for the 6 September meeting. Some

foreign ministers will be back to attend that meeting and others will send presidential delegates to verify the tripartite agreements, that is, the agreements between UNO, the government, and the FSLN.

[Moderator] Does that answer your question?

[(Tian)] I do not understand what the front is rejecting. The front said that if there is no agreement between the three parties, there cannot be a verification commission between two parties and no agreement can be reached on the verification commission.

[Leal] I am trying to interpret this because you are asking me about what somebody else has said. During the bilateral dialogue with UNO, we could agree that the verification commission should be composed of the OAS, the UN, the EC, and so on, and then we could learn at the tripartite meeting that the FSLN plans to say no. I do not want this. The idea is to reach agreement. I do not know if this answers your question.

[(Tian)] There is an agreement on the verification agreement, right?

[Leal] Yes, there are the representatives of the Central American presidents. We have spent two days with an international verification commission, have we not?

[Moderator] Josefa Alejandro Osorio, [words indistinct] questions and answers.

[Osorio] Foreign Minister, despite what has been said, FSLN Secretary General Daniel Ortega has said that the FSLN views the dialogue [three-second break in reception]. Could you tell us about the points of convergence between UNO, the FSLN, and the government?

[Leal] We have all agreed that it is necessary to reform the Constitution, to draft a military organization law, and to have a comptroller general. These are some of the aspects I can mention. There are others that I do not remember at this moment. There are points of overlap. How far the constitutional reform should go is important. The government is committed to reforming the Constitution to establish an institutional framework capable of guaranteeing that democracy is irreversible. This is for sure.

[Moderator] Thank you very much. Good evening.

UNO Coordinator Discusses Dialogue

PA0109035293 Managua Radio Nicaragua Network in Spanish 0048 GMT 1 Sep 93

[News conference by Duilio Baltodano, national coordinator of the National Opposition Union, with unidentified foreign and domestic reporters at the Presidential Palace in Managua—live relay]

[Text] [Baltodano] Dear journalists of the local and international media, allow me to report on behalf of the National Opposition Union [UNO] that today at 1600 we were invited by the president of the Republic to start a bilateral dialogue between UNO and the government. The meeting also was attended by the foreign ministers of Central America and Panama.

We discussed various issues, and we came to the conclusion that a bilateral dialogue should be held between the government of the Republic and UNO, as has been publicly demanded by UNO, starting tomorrow at 1000. The dialogue will last five days to adopt agreements that are satisfactory to both parties, namely, the government and UNO.

Immediately after the five days of work conclude, and once the satisfactory preliminary agreements are reached, a national dialogue will begin with the participation of the political groups which comprise UNO, the Sandinist National Liberation Front [FSLN], and the government of the Republic. The national dialogue will begin at 1000 on Monday.

We have concluded today's session. The president of the Republic agreed to postpone the start of the national dialogue, which was scheduled for today, until 6 September at 1000. This clearly proves to the local and international community that UNO is always faithful to its principles, positions, and the will of the voters who supported it in the 25 February 1990 elections.

[Reporter] What will be the first point in the agenda? What will the government and UNO discuss during the course of these five days?

[Baltodano] Rest assured we will reach satisfactory and positive agreements because we have the political determination to do so. Also, the Central American presidents, as represented by their delegates, will permanently attend the meeting. We will not concentrate on the negative side of things. Instead, we will seek the positive side of things because this will greatly benefit all of Nicaragua.

[Reporter] Doctor, what will be the first point on the agenda?

[Baltodano] I beg your pardon?

[Reporter] What will be the first point on the agenda you will discuss tomorrow? Will the foreign ministers attend these meetings?

[Baltodano] The first point on the agenda will be the one listed in the UNO agenda approved by the government, the one dealing with verification and guarantees. In other words, we will begin reviewing various issues and, logically, we must work in an orderly, serious, and responsible manner. The important thing here is the parties' political determination, and we have accepted the government's pledge in the presence of qualified witnesses, meaning the foreign ministers of the five Central American countries. Thank you.

[Reporter] Dr. Baltodano, how will the foreign ministers participate?

[Baltodano] Through their representatives, through their delegates. We will implement an appropriate system to hold a fruitful dialogue in these five days. Thank you.

[Reporter] What about the church, Dr. Baltodano?

[Baltodano] The church is part of the verification team.

[Reporter] Dr. Baltodano, if this is a bilateral dialogue what is the FSLN's role?

[Baltodano] We had been initially summoned to a national dialogue. Now we have reached an agreement with the government. We will first work on the UNO-government dialogue. The national dialogue in Nicaragua will start on Monday, once the five days of work have concluded.

[Reporter] [Words indistinct] accepted UNO's proposal?

[Baltodano] Yes, because a dialogue cannot start if one of the participants is missing.

[Reporter] Are you satisfied with your first bilateral effort with the government?

[Baltodano] Yes. We came to the conclusion that we will start a national dialogue on Monday, 6 September. We will work on the UNO-government bilateral dialogue for five days. This is an excellent starting point, because it was UNO's request.

Ortega News Conference on Talks

PA0109031393 Managua Radio Nicaragua Network in Spanish 0111 GMT 1 Sep 93

[News conference by Daniel Ortega, secretary general of the Sandinist National Liberation Front, with unidentified reporters at the Presidential Palace in Managua—live relay]

[Text] [Ortega] Good evening, Nicaraguan brothers: This afternoon the first tripartite meeting was held between the government, the National Opposition Union [UNO] leadership, and the Sandinist National Liberation Front [FSLN].

The three sides sat down, before the Central American foreign ministers, and we reached the first agreement. The first agreement reached today is that conversations in the dialogue initiated today will resume 6 September at 0700. Representatives of the Central American governments have been invited to participate. We specified this point because maybe not all the foreign ministers can be here on 6 September due to prior commitments. Nevertheless, the Central American governments will be represented.

Although this is something that was introduced at the meeting with the government, UNO, and the Central American foreign ministers, we believe it is important to unilaterally insist on the following: We urge the rearmed groups to benefit from the disarmament process. We urge the government not to adopt economic measures that increase the cost of living for Nicaraguans and lead to recession, unemployment, and hunger.

These are points we have presented to UNO. It is important for us to speak up because the people expect specific results from this dialogue in the form of jobs, production, and the launching of the Nicaraguan economy.

While it is true that political issues are very important, if political actions are not accompanied by economic measures, and if the government does not ease off while it discusses its economic policies, then we would feel that suitable conditions are not being created for a dialogue to take place in an environment of trust from the Nicaraguan people.

We feel this first meeting has been a positive one. We are sure that Monday, we, the government, the UNO leadership, and the FSLN, with the presence of representatives from the Central American governments, will meet here again.

[Reporter] [words indistinct] the FSLN on a continuous dialogue for five days with UNO?

[Ortega] That is an issue that has been under discussion since May. The dialogue is a last-minute event. In May, in this room, the government met with UNO, the FSLN, and with the Higher Council of Private Enterprise. The multilateral meetings began later.

The government held several bilateral meetings with UNO. This is why we believe all the points, that could be discussed in a bilateral meeting between the government and UNO, cannot go too far without the FSLN's participation. I am talking about topics that have to do with the National Assembly and the laws of the Republic which need the deputies' votes. The FSLN has 39 deputies, and we must also add the deputies from the Group of Center. This is a political force that cannot be left by the wayside. I believe it is important to point this out. The Group of Center is a parliamentary faction that has decisive importance and cannot be disregarded in a national dialogue.

[Reporter] If UNO insists on the creation of a verification commission comprising the OAS and UNO, would the FSLN agree to this?

[Ortega] This is an issue we are going to have the opportunity to discuss on 6 September. We must bear in mind that the OAS secretary general will be here on 8 September. We believe Mr. Joao Baena Soares has been a friend of the Central American peace process, especially the peace process in Nicaragua. We do not disagree with the participation of the OAS secretary general or the UN secretary general. We believe it is important to form a wider support group for the process of peace, democracy, and stability in our country. This is a group of friends of the peace process, a group that includes the EEC, the Nordic countries, Latin American countries such as Mexico, Spain, as well as certain organizations,

and even active individuals who have been working for the peace process in Central America, especially in Nicaragua.

[Reporter] [Question indistinct]

[Ortega] We have no information on what UNO's agenda will be in its discussions with the government. The agenda includes topics the two sides must discuss between themselves. It is logical that anything that has to do with the National Assembly, where laws must be approved and where government appointments must be approved, must be discussed at the tripartite dialogue, because without the vote of the FSLN, or without the vote of the Group of Center, the talks between UNO and the government would be (?useless).

I believe the five-day period between now and 6 September is somewhat of a waste of time. Nevertheless, if this is what they decided, that is fine. The people want quick solutions. In May we made an initial effort in which UNO participated, and at that time the people really wanted us to take off and not waste time.

[Reporter] [Question indistinct]

[Ortega] We would have to repeat the discussion of all the topics in the tripartite dialogue. That would be a waste of time.

[Reporter] Is there a need to reform the Amnesty Law?

[Ortega] We did not discuss this because we actually talked about when to begin the talks, as well as when to resume the talks. We will say the talks began on 31 August. Mrs. Chamorro spoke on behalf of the government, Mr. Dulio Baltodano spoke on behalf of UNO, and I spoke on behalf of the FSLN. The foreign ministers also spoke.

Next, the UNO representatives took the floor, I followed again, and then Mrs. Chamorro. So you see, there was in fact a dialogue. There was a dialogue, and I think the important thing here is that an agreement came out of it.

[Reporter] [Words indistinct] did speak with the foreign ministers [words indistinct] the World Bank and the IDB and...

[Ortega, interrupting] They are convinced that the economic crisis is terrible and that the ones suffering the most are the Nicaraguan people. The Nicaraguans suffering most are those with the lowest incomes, the poorest, the people who are falling from poverty into destitution. We are talking about 70 percent of the population here. I think, therefore, that the presence of the foreign ministers has a lot to do with the fact that this crisis may affect the peace process in Nicaragua and may have negative effects throughout the region. This explains the presence of the Central American foreign ministers.

[Reporter] UNO and the government have each presented several issues for discussion. UNO has nine issues and the government has eight. Could you give us an overall view of the issues the FSLN has presented?

[Ortega] We are open to the discussion of all issues, those presented by the government, as well as those advanced by UNO, because there are many common issues. In short, the truth of the matter is that there are common issues, which is why I say this is a waste of time. These five days are a waste of time. We could have begun this two or three months ago when we were here in May. The issues have not changed; they remain the same. Why did we not begin the discussions then? Why, as we have a five-day period [six-second break in reception]

[Reporter, in progress] ...the dialogue that will take place?

[Ortega] We held a meeting with the National Assembly's Group of Center, which is a legislative faction with a determining weight in any vote in the National Assembly. It was very important to talk with this group and advise it of the FSLN's position regarding the dialogue and the negotiations. We also believe that the Group of Center must be taken into account during the process. It cannot be left out, because it holds a deciding vote, especially now that we are talking about a number of laws that must be sent to the National Assembly. It is here, in the National Assembly, where the political essence of the dialogue process lies. This is because the economic side of the dialogue, namely, the government's economic policy and the things that need to be changed, must be discussed face to face with the government.

[Reporter] Mr. Daniel Ortega, are you not entering this process as a minority force, given the prior unilateral agreement between UNO and the government?

[Ortega] I repeat, I do not see how decisions can be reached between UNO and the government concerning issues that must include the FSLN. How are we to present a law before the National Assembly without first securing the FSLN vote? This creates a debate over [words indistinct]. That is why I say this is a waste of time. Why not start talking right away and start resolving differences?

Nevertheless, the significant thing here was that we sat down to talk. Mr. Baltodano presided over the meeting; Vice President Virgilio Godoy was present, heading the UNO delegation; Azucena Ferrey was there; and so was Miriam Arguellos. In other words, the UNO representatives were all there, and we were able to reach an agreement. There was an agreement between the government, UNO, and the FSLN, which was witnessed by the foreign ministers. The agreement is this: that we will renew the national dialogue on 6 September.

[Reporter] Who represents the Group of Center you mentioned earlier?

[Ortega] For that, you will have to ask the group itself.

[Reporter] We know the issues promoted by each side. If, during these next five days, the government accepts the

creation of a verification commission, as requested by UNO, would you also accept this verification commission to work with the UN, when the dialogue begins on 6 September?

[Ortega] If the dialogue is to be between three parties, there cannot be an agreement on a verification commission between only two parties. They can discuss the issue, perhaps, and they may even agree on certain aspects, but that is not a true agreement. The agreement will come when the three parties meet and present their points of view and when the decision is reached by all three parties.

[Reporter] [Question indistinct]

[Ortega] I do not know what agreements could be made, except what is basically the tripartite agreement.

[Reporter] What can you say about the firing of General Humberto Ortega from the Armed Forces and the firing of the presidency minister, one of UNO's basic points?

[Ortega] I believe that there is no room for such proposals. To come here and ask for the heads of people makes no sense. It is as if we asked for the heads of UNO leaders, or if UNO leaders asked for the heads of Sandinist leaders. I believe that would get us nowhere. What is important here is to change economic policies and to give stability to the armed institutions within the framework of the laws, where military power is subordinate to civilian power. This is not a question of personalities. What we need is to strengthen our country's constitutional framework and laws.

[Reporter] [Question indistinct]?

[Ortega] I believe that this meeting... [pauses] Let me tell you something: I remember that you were the ones who said there would be no meeting and that I said there would be one. There was a meeting. Then I believe that...

[Reporter, interrupting] Are you pleased?

[Ortega] I feel satisfied. I am not totally satisfied because I think we could save five days; anyway, the important thing is that we have started.

[Reporter] When UNO emerged from the meeting, it said that this had not been a tripartite dialogue, that the FSLN had not taken part. Instead, it said that you had to wait to be informed of the decisions made with the executive branch.

[Ortega] Of course we took part. They sat on one side of the table, the foreign ministers sat in the back, we were on our side of the table opposite UNO, and the government presided over the meeting. What do you call that? Dialogue, a tripartite dialogue. The president spoke and she mentioned the UNO proposal. Supposedly UNO cannot dictate terms and say the meeting must be held on such and such a day. Dates have to be consulted upon. UNO wanted to propose a date, 1000 on 6 September. In this way, UNO made the proposal to the FSLN. We replied we would like to get started right away, but we agreed to restart dialogue on 6 September. Of course there was a dialogue; of course we exchanged ideas. UNO National Coordinator Duilio Baltodano spoke, then I spoke, and the foreign ministers spoke after Mrs. Chamorro spoke. We then continued to talk.

[Reporter] Could you give full details of UNO's nine-point agenda? One point mentions trying people, policemen, Interior Ministry members...

[Ortega, interrupting] We did not hear anything about that.

Central American Ministers Attend

PA0109043793 Managua EL NUEVO DIARIO in Spanish 31 Aug 93 pp 1, 8

[Article by Aura Lila Moreno]

[Text] The two main unions in the country (National Workers' Front, FNT, and the Permanent Workers' Congress, CPT) and the Sandinist National Liberation Front, FSLN, have informed the Central American foreign ministers commission of the need to hold a tripartite dialogue, which was called by the government for this afternoon. In reply, the ministers expressed satisfaction with the "Nicaraguans' willingness to enter a dialogue" to resolve the crisis and reach a national agreement.

The foreign ministers first met with the National Opposition Union, UNO, Political Council, whose leaders rejected a meeting with the government and the FSLN. Later, they met with CPT members and finally with FSLN leaders, headed by Secretary General Daniel Ortega.

Even though on several occasions, former President Ortega had said he was sure UNO would attend the tripartite dialogue, he called on the leaders of the rightist coalition to attend the trilateral meeting because "you cannot play such a trick on the people."

Political Chicanery Should Not Affect People's Hunger

Ortega asserted the UNO is obliged to answer the people's demands for a bit of peace and stability and he urged politicians within the organization to help resolve the serious crisis suffered by the people. "They should not be using political chicanery when it comes to the people's hunger, unemployment, and the economic recession," he said.

The Sandinist leader said he was confident that UNO would attend the talks. He said the presence of the foreign ministers should be taken into account, although public opinion was more important. Ortega stressed: "They are standing before a great judge, who knows how to evaluate their attitudes and weigh their actions if they attend the meeting."

During the meeting with the foreign ministers, the FNT leaders presented a 21-point proposal "to effectively resolve the Nicaraguan crisis, saying that they trust the tripartite talks between the country's political forces will result in an initial program to promote production and employment."

Tripartite Dialogue Indispensable

"The Tripartite Dialogue must make an urgent call to the international community to renew and increase its aid to Nicaragua," the FNT stated. The CPT maintained that the tripartite dialogue cannot be rejected, as UNO attempts to do, because the FSLN is a true force that can contribute to the resolution of the problems.

"The Sandinists have to be taken into account, as well as the union and business sectors," CPT leader Roberto Moreno stated, after insisting that the current crisis demands that the tripartite dialogue be held. "We expect UNO will make its best contributions to resolving the crisis," he added.

Moreno stated that the dialogue must be held without prior conditions, but he said he respected UNO's political position because "they have their own interests." Both the FNT and the CPT asserted that they will respect any agreements that would result from the tripartite dialogue.

People Must Be Given Respite

When it was the FSLN's turn, the political organization's secretary general told the foreign ministers that a few more points should be added to the government's proposed agenda. "The government must give the people respite," Ortega stated, who criticized the government's decision to increase the fuel prices.

"Measures such as the gasoline price increase are unfortunate and do not contribute to a propitious climate to overcoming this crisis," the former president stated. Another point suggested by the Sandinist Front for the agenda is one related to the implementation of emergency programs in the areas that are more hunger stricken and where there are rearmed groups.

Guatemalan Foreign Minister Arturo Alfaro made a short evaluation of the meetings held with the mentioned sectors and highlighted their inclination and will to find solutions to the problems through dialogue. Today, the foreign ministers will meet with the National Assembly Board, the Supreme Court, UNAG [National Union of Farmers and Cattlemen] and COSEP [Higher Council of Private Enterprise.]

Argentina

Argentine-Iraqi Technology Transfer Discussed

PY3108160593 Buenos Aires CLARIN in Spanish 30 Aug 93 p 2

[Text] Reliable sources told CLARIN that the United Nations has preliminary proof that the secret plant in Falda del Carmen, Cordoba, where the Condor-2 missile was manufactured, "is identical" in general design "to at least three" Iraqi missile installations inaugurated after the one in Argentina. The connection between the now dismantled Argentine missile project and the Iraqi program is also based on the fact, also certified by the United Nations, that the Iraqi BDR-2000 missile "is a technical by-product" of the Condor-2. A further indication of this connection is the UN's discovery that Iraq has a couple missile engines whose serial numbers match those manufactured in Falda del Carmen.

U.S. and Russian experts visited Falda del Carmen last week and explained the architectural and technical similarities between the Condor "nest" and the Iraqi plants to officials from the Defense Ministry, Foreign Ministry, and National Commission for Space Activities (CNAE). The experts, contracted by a UN Security Council commission supervising Iraq's disarmament after the Gulf War, will now write a definitive report on the two projects' similarities. Their work will be based on the "in situ" inspection carried out in Falda del Carmen and a series of key data handed down by the government at their request.

The Falda del Carmen plant, located 10 km from Alta Gracia, was built by the Air Force in the mid-1980's at a cost of "between $200 million and $300 million." Most of the installations are located in the hills and their concrete galleries are designed in the shape of concentric rings as a security measure.

The UN experts' report will be one more step in the commission's investigation into the precise links between the Condor and the Iraqi programs and in answering two of the most important questions in this story. The first question is to find out if, apart from the architectural design and missile parts, there was a transfer of sensitive technology to Baghdad; the answer to the second question will attempt at ascertain the degree of Iraq's mid-range missiles' development.

The government handed over confidential information on Argentine mid-range missiles to the United States some time ago. But as of the beginning of the year, this country's intelligence service has placed 14 engines, 30 rocket shells, and several adjustable tailfins [colas basculantes] shipped in a much-advertised trip to Spain under the magnifying glass.

However, the UN experts' opinion is part of the first independent investigation seeking evidence to show that Condor-2 elements were sent to Iraq via Egypt, as was stated by then-Foreign Minister Domingo Cavallo during an argument with former Radical [Radical Civic Union] Defense Minister Horacio Jaunarena. On that occasion, Cavallo's only basis for his allegations was U.S. intelligence reports.

The experts' visit to Argentina this week was requested at the beginning of the month by Sweden's Rolf Ekeus, head of the UN commission investigating the Iraqi disarmament. Ekeus sent a detailed note requesting permission for the visit and arguing that Iraq is reluctant to provide information on its missile program and does not allow UN inspectors, who have already carried out various inspections, to look into all of its military installations. The United States destroyed the Iraqi plants with "surgical" bombings during the Gulf War at the end of 1990 and beginning of 1991. But they were "quickly rebuilt" months later, the sources said.

The UN experts' opinion show that, in principle, there are common roots between the two projects and that a third country was used for the shipping of Condor-2 elements to Iraq. It is also clear that these operations occurred before the Gulf war. This means that the operations took place within the framework of an international context when the United States, the former Soviet Union, France, and Great Britain were selling all types of weapons to Saddam Husayn, who was the West's "pampered child" for having been a "restraining wall" against the spread of the Iranian revolution with a bloody eight-year war between 1977 and 1985.

Transfer Denied

PY0109025993 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2159 GMT 31 Aug 93

[Text] Buenos Aires, 31 Aug (NA)—Former Defense Minister Horacio Jaunarena today asserted that the government of former President Raul Alfonsin "never" had any "connection with Iraq regarding the Condor-2 project."

In this regard, Jaunarena, who was defense minister during the last Radical administration, asserted that while the Condor-2 project was being developed at the Falda del Carmen plant in Cordoba Province "there were no plans for sale in mind."

The former minister thus minimized the report that UN officials had allegedly discovered that Iraq had two missile engines with the same serial numbers as those manufactured at the Falda del Carmen plant.

Moreover, Jaunarena explained the fact that Iraq had at least one missile plant that was "twin" to the one in Falda del Carmen by saying that "obviously if that country was developing a technology similar to the Argentine technology, it is quite likely that its plant might also be similar."

Yesterday, Defense Minister Oscar Camilion admitted that there is a "twin" to the Falda del Carmen plant in

Iraq, and noted that during Alfonsin's government technology was sold to that Asian country "through third parties."

In this regard Jaunarena, in a statement to a radio station, denied that this technology had been sold to Iraq during the Radical government, noting that the similarity of the missiles manufactured by Iraq and Argentina might be because they used "similar technologies."

The former minister commented: "It is quite likely that similar technologies would have to be used to obtain similar results, but this does not mean that the technology was transferred from Argentina, as this is a technology with which countries such as Germany and Egypt are also acquainted."

Moreover, Justicialist Miguel Angel Toma, president of the Chamber of Deputies Defense Commission, announced that during the next session of the Chamber of Deputies he will insist that the draft bill demanding that state secrecy regarding Condor-2 be lifted "fully" be discussed on the floor.

Toma's initiative also proposes the "creation of an investigative commission within the Chamber of Deputies to handle the case and, should any legal aspects surface, handing them over to the corresponding court."

Toma said: "The latest reports on Condor-2 that have become public over the past few days, and the obscure connections with weapons traffickers and totalitarian and fundamentalist regimes, call for an investigation in order to shed light on the matter."

Brazil

Franco Accepts Agriculture Minister Resignation

PY3108231993 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 31 Aug 93

[Text] During a meeting today that lasted barely 5 minutes, Agriculture Minister Jose Antonio de Barros Munoz tendered his resignation to President Itamar Franco.

President Franco accepted his resignation understanding the position of the minister who is a friend of [Sao Paulo] Governor Luis Antonio Fleury Filho. Munoz said he could not remain in this post after the Sao Paulo governor broke away from the government.

Presidential Spokesman Francisco Baker said that President Franco regretted Munoz' decision and praised his performance as agriculture minister.

During the two months in the post, Munoz implemented a product- equivalent system [sistema de equivalencia-produtos], paid the Proagro [expansion unknown] debts, and expropriated some 200,000 hectares of land for the land reform program.

President Franco will today announce the person who will temporarily replace Munoz until a permanent replacement is appointed.

Right now Franco is meeting at Planalto Palace with the finance, planning, industry and commerce ministers, and with the leaders of government blocs in the Senate and the Chamber of Deputies.

Planning Minister Confirmed; PMDB Evaluating Support

PY3108163093 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 31 Aug 93

[Text] Alexis Stepanenko will continue as planning minister. President Itamar Franco said: It is I, not a political party, who must decide when a minister should leave my cabinet.

Through a statement released by presidential spokesman Francisco Baker, Franco stated that his government is not taking any retaliatory action against state governors—most of them members of the Brazilian Democratic Movement Party [PMDB]—who have gone to court to contest payment of the provisional tax on financial operations [IPMF].

Asked about the possibility of the PMDB withdrawing its support for his government if Stepanenko leaves the Planning Ministry, President Franco said everyone is free to have his own ideas and to say what is on his mind. There are five PMDB members serving in Franco's cabinet. Stepanenko yesterday worked normally at his office in Planalto Palace.

PMDB President Jose Fogaca is against withdrawing PMDB support for President Franco. Fogaca, who is also a senator from Rio Grande do Sul State, made it clear however that the rank and file is willing to evaluate the PMDB's participation in the government. Fogaca announced his position before meeting PMDB leaders in both the Senate and the Chamber of Deputies.

Senator Mauro Benevides believes the PMDB's withdrawal from the government would worsen the country's political and economic situation.

Deputy Genebaldo Correa, the PMDB leader in the Chamber of Deputies, stated that it is the national PMDB convention—which is scheduled for 12 September -

Franco To Host Menem, Visit Chile, UN in Sep

PY3108211193 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Aug 93 Economy and Business Section p 2

[From the "Straight From the Source" column by Sonia Racy]

[Text] President Itamar Franco will be able to reciprocate for the generous treatment accorded to him earlier

in Argentina when Argentine President Carlos Menem visits Brasilia on 7 September. Reciprocating for Franco's decoration in Buenos Aires on 25 May, Menem will be decorated here during his visit. September will indeed be a month for good international relations for President Franco. Taking advantage of the close friendship existing between Finance Minister Fernando Henrique Cardoso and his Chilean counterpart Alejandro Foxley, Franco will stop in Santiago on 15 September for talks there, prior to flying to New York on 21 September to attend the opening of the UN General Assembly.

A change of atmosphere will be good for the president, and will make Deputy Inocencio Oliveira [president of the Chamber of Deputies, who serves as acting president during Franco's absence] a happy man.

Police Say Ianomami Massacre Occurred in Venezuela

PY3108180493 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 31 Aug 93

[Excerpts] The Federal Police Tactical Operations Command [COT] said the massacre of Ianomami Indians did not occur in Brazilian territory. Using sophisticated precision geographical instruments, COT personnel—who have been in the area for the past six days—concluded that the massacre occurred 11 kilometers inside Venezuelan territory.

Based on maps and satellite data, the policemen also concluded that the Haximu and Homoxi villages, where the Indians were massacred, are located exactly 15 kilometers from the Brazilian border. Thus, Brazilian policemen immediately left the area because they realized they were on foreign territory. [passage omitted]

Venezuelan Ambassador Sebastian Allegret said his government will conduct an investigation into the massacre as soon as Itamaraty officially confirms that it occurred in Venezuelan territory.

Brazilian Foreign Ministry demarcation experts will inspect the Brazilian-Venezuelan border to determine if the villages where Ianomami Indians were massacred are on the Brazilian or Venezuelan side. [passage omitted]

Federal Police confirmed last night that 16 Ianomami Indians had been massacred by gold prospectors approximately 30 days ago. Itamaraty now will try to confirm if the massacre occurred in Brazilian or Venezuelan territory.

Military Police Suspected in 21 Shantytown Deaths

PY3108130993 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 30 Aug 93

[Report by Elizabeth Saenz]

[Text] Thirty hooded and armed men stormed Vigario Geral shantytown in Rio de Janeiro early this morning and killed at least 21 people, including women, children, and men. Slum dwellers believe the massacre was carried out by military policemen in retaliation for the murder of four colleagues on 28 August by drug traffickers who lived in the shantytown and lured police there by saying there was a bomb in Vigario Geral.

The murderers set some train cars on fire, destroyed homes, and shot their victims dead. The first seven to die were in a bar celebrating the Brazilian football team's victory over the Bolivian one. Then the killers raided a house and killed eight people from an evangelical family.

Rio de Janeiro Governor Leonel Brizola stated that he has taken all the necessary measures to investigate this massacre and find the culprits. He added that the massacre is the outcome of a culture centered on destruction.

Slum dwellers blocked the access road to the shantytown and the railway line. Service at Vigario Geral station was resumed after being interrupted for four hours. The entrance to the shantytown became a battlefield when the commander of the battalion in charge of policing the area arrived there. Slum dwellers tried to drive police off with stones but the military police reacted by firing shots, although they did not wound anybody. The bodies of those who had been murdered were not removed from the crime scene until 12 hours after the massacre.

Rio de Janeiro Deputy Benedita Da Silva, Workers Party, met this afternoon with Federal Police Secretary Joao Batista Campelo to discuss the massacre, which took place early this morning. Da Silva took five massacre witnesses, including four children, to identify the killers. She requested police protection for the children and asked that the government be in charge of the children, whose parents were killed in the raid on the shantytown. During the meeting, Batista assessed whether to implement a number of measures to control violence. (Marta Rocha), director of the general department of specialized police; Rio de Janeiro Police Chief (Paulo Emilio); and (Wilson Machado), director of the Department for the Defense of Life, were also present at the meeting. No high-ranking Federal Police members attended the meeting.

Batista said he has no doubt military police were implicated in the massacre and cited as an example the massacre of eight street children on 23 July by military police members.

'Elite' Federal Police Created

PY0109011993 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 31 Aug 93

[Text] The massacre in Vigario Geral has prompted an official inquiry into the Rio de Janeiro police. The Federal Government has created a special force that will look into the massacre. The Bar Association has asked

for the dismissal of the civil and military police secretaries. The Military Police Command has discharged the colonel who was responsible for police control in Vigario Geral.

Colonel Cesar Pinto, commander of the 9th Battalion and the person responsible for police control in the area in which the Vigario Geral shantytown is located, was discharged from his post.

The Military Police High Command is investigating the massacre.

A sergeant and four soldiers, who were on duty at the closest police station the evening the massacre occurred, this afternoon came to make their statements here at the Military Police General Headquarters.

Among them is a soldier named Claudio Rusao, who is charged with having issued threats to shantytown dwellers. He is also suspected of being involved with drug-trafficking gangs.

The policemen made their statements at the secret service unit, and were released early in the evening.

An investigation by the military police themselves has revealed that up until August 1993, 151 military policemen have been found to be involved in crimes. This figure surpasses that of 1992, when it reached 147. Every year 200 military policemen are expelled because of their involvement in holdups, abductions, corruption, and the formation of death squads.

For this reason the council of the Rio de Janeiro branch of the Brazilian Attorneys' Association [OAB] today held a special meeting during which it decided to follow the investigations. The OAB asked the state government to dismiss the civil and military police secretaries.

At Guanabara Palace, Justice Minister Mauricio Correa met with Rio de Janeiro Governor Leonel Brizola and Civil Police Secretary (Nilo Batista). Correa was informed that the main suspects of the massacre are military policemen.

The minister announced the creation of an elite federal police group that will fight death squads all over the country. The group's first task will be to investigate the Vigario Geral massacre.

[Begin Correa recording] The Federal Police will investigate, trying to detect those extermination groups, those death squads. [end recording]

In Brasilia, the Federal Police have already devised a scheme for fighting organized crime in Rio de Janeiro.

According to Police Delegate Nascimento Paulino, the central police coordinator, there is an elite group—the Tactical Operations Group. In a first phase, however, the work has to be done in secrecy. Policemen will have to infiltrate the zone, and even live in the residential hills in search for information.

[Begin Paulino recording] It is a silent job, a confidential work in the hills, for gathering information about those criminal organizations operating in Rio de Janeiro. [end recording]

Even without receiving an official request, the Army Ministry today informed the government that it could cooperate in providing weapons and instructors. In the operation in Rio de Janeiro, federal policemen will be able to have, among other sophisticated arms, light automatic rifles, 9 mm pistols, and machine guns.

Cardoso Says Economic Program 'Will Not Change'

PY0109000893 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Aug 93 Economy and Business Section p 5

[Report by Marco Piquini]

[Text] Finance Minister Fernando Henrique Cardoso said yesterday in Sao Paulo that "an eventual conflict in one ministry will not change" present government economic policies. Cardoso said he did not follow the details of Planning Minister Alexis Stepanenko's resignation and denied he was acting as a firefighter, fixing the cabinet's political composition. Cardoso confirmed that on 27 August, and again on 28 August, he talked with Sao Paulo Governor Luiz Antonio Fleury Filho, who was disgusted with the government following the dismissal, on 27 August, of BNDES [National Bank for Economic and Social Development] President Luiz Carlos Delben Leite (who was nominated for the post by Fleury). "I am not putting out any fire," Cardoso said.

Labor Minister Walter Barelli said that the dismissal of Delben Leite, which provoked Stepanenko's resignation, is not a federal government retaliation against the states, which could be inferred from the fact that several states are going to court to prevent paying the IPMF [Provisional Tax on Financial Operations]. Barelli confirmed that the governors surprised the president. "They should have said something before the deadline for the president to veto the bill establishing the tax," Barelli said.

Call-Inflation

Yesterday Cardoso and Barelli received a delegation of entrepreneurs and lawyers from the Movement Against Inflation. The meeting was held at the state Finance Ministry building in Sao Paulo. The group's coordinator and lawyer Thomas Felsberg said that the movement seeks to spur a community effort to stop inflation. The movements's manifesto was signed by 2,000 people including Barelli. "I signed it because it is a document open to all citizens and it will fight inflation," Barelli said. The movement is nonpartisan and is against "all types of extravagant packages that seek to disguise the real causes of inflation."

The campaign will begin on 1 September. Call-Inflation is a toll free telephone number (0800-130-500) for the

people to report on the three main causes of inflation. The result will be tabulated and sent to the government. Raul Sulzbacher, president of Jeans Store and a movement member, thinks the survey will send a message to congressmen. "We will tell deputies that they are being paid to fight inflation," Sulzbacher said. Julio Landmann, president of Wallerstein, a chemical products manufacturer, thinks the movement could start something similar to the campaign for direct elections "to demand from Congress a more consistent position regarding the pact to fight inflation."

The Movement Against Inflation will also start a Write-Inflation campaign for people to suggest alternatives to fight price increases and will distribute t-shirts and badges with slogans. Landmann said the movement is being indirectly paid for by participants.

Studies New Economic Measures

PY3108211493 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Aug 93 Business and Economic Section p 5

[Article by Beatriz Abreu]

[Text] Brasilia—Finance Minister Fernando Henrique Cardoso has made progress in studying new measures that must be implemented before the economy can be deindexed. After facing resistance over paying the IPMF [Provisional Tax on Financial Operations] in court and after convincing governors to renegotiate their debts with the federal government, the economic team is preparing to attack the Central Bank black box [separating the Central Bank and Treasury joint accounts], to accelerate the privatization program, and to reorganize the federal banks. These are important steps, but they are not enough to slow inflation in the next few months, or even to control the political pressures and market expectation which foresee an "economic package" prior to the scheduled constitutional reform.

Economic team experts admit that to face those pressures they must discuss a concrete problem: The right moment to announce the new economic program. They consider collecting the IPMF, renegotiating state debts, clarifying Central Bank and Treasury accounts, and implementing new rules for privatization are important for stabilizing the economy. But the experts would like to see better results in the fiscal front before going ahead with the deindexation program. "It will help if we can resist the pressure," they said.

Publicly, the economic team uses the same tone. The economy will be deindexed, but next year. During last week's meeting of the Agenda Brasil [the team handling general government economic guidelines], Executive Secretary Clovis Carvalho insisted on this point, citing the next steps which are tied to a prior need for a fiscal adjustment.

Central Bank President Pedro Malan told the Senate what Cardoso has been saying since he took over. "Brazil is the only country in the world that protects its currency with so many indexes. There are 12 types of indexes and the most diverse contracts," Malan insisted. "We need to face the combination of inflation momentum and future expectations," Malan added without giving any clues on the deindexation program that the government will implement.

Discussions on new measures are a daily routine at the Finance Ministry. The Central Bank is also involved now that Cardoso has completed its team. Advisers argue that the new Central Bank president needs time "to become acquainted with the situation" before advancing with the deindexation program. The theories about deindexation are many but many officials "lean" toward the adoption of a foreign exchange anchor. One adviser said the team is still "somewhat uncertain" as to whether the anchor is the best option for the country.

Experts say the foreign exchange anchor is the best instrument to give inflation "a hiding," but the decision to "ensure our foreign exchange" will force the government to take parallel measures such as the control of imports, and decisions as to whether the government will permit the conversion of the real cruzeiro into dollars—and if so, to what extent.

There are other problems such as a definition of what level of foreign exchange reserves the Central Bank considers necessary to support stability. "Many, many things must be resolved before we adopt the plan," the advisers said. "It is not difficult to lower the inflation rate: It is difficult is to keep it down," the experts concluded.

Government To Renegotiate Part of Public Debt

PY3108191293 Rio de Janeiro O GLOBO in Portuguese 28 Aug 93 p 26

[Text] Brasilia—The current agreement with the Paris Club ends on 31 August. The next day Brazil will suspend payments on the part of the debt that is owned by the public sector. This debt was contracted before 1983 and has never been renegotiated. Obligations included in previous agreements with the Paris Club will continue to be serviced regularly.

Finance Minister Fernando Henrique Cardoso wrote yesterday to Paris Club President Jean-Claude Trichet announcing the suspension and the commitment to begin paying again as soon as Brazil reaches a new agreement with the Club. Before Brazil can do this, however, it will have to close an agreement with the IMF.

One of the requirements of the Paris Club is that the periods of maturity, not the volume of the debt, must be negotiated. In the most recent agreement, Brazilian negotiators considered obligations that fell due between 1 April 1990 and 31 August of this year.

Andre Lara Resende, the new foreign debt negotiator, will be responsible for closing the new agreement. The

renegotiation will total $3.8 billion if he is able to convince the Paris Club to include in the new agreement obligations that fall due between 1 September of this year and 31 December 1995. The amount will total $2 billion if the agreement only foresees obligations due by 31 December 1994.

Legislators React to Amazon Ministry Creation

PY3108213093 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Aug 93 p 8

[Article by Vanda Celia]

[Text] Brasilia—Deputies and senators are disgusted over the establishment of an Amazon Region Special Ministry to implement programs in the Legal Amazon Region [Amazonia Legal]. They allege that the proceedings involving the establishment of this ministry, which President Itamar Franco had reserved for Ambassador Rubens Ricupero, is "unconstitutional." Because of this they are threatening to nullify the decision through a legislative decree unless Itamar submits to Congress a provisional measure or bill proposing the establishment of the new ministry. Nelson Jobim (PMDB-RS) [Brazilian Democratic Movement Party-Rio Grando do Sul], one of the most respected deputies in the Chamber of Deputies, said: "Only Congress can authorize the establishment of new ministries."

The president established the new ministry through a decree published in the DIARIO OFICIAL. This decree is openly opposed to clause 11, Article 48 of the Constitution. This article establishes that among other responsibilities, Congress is empowered "to create, establish, and outline the attributions of ministries and offices of public administration."

On 30 August, Deputy Jose Genoino (PT-SP) [Workers Party-Sao Paulo] and Deputy Paulo Bernardo (PT-PR) [PT-Parana] will submit to the Chamber of Deputies the first legislative bill to cancel the presidential decree. Genoino said: "He created a ghost ministry." He explained that in the decree President Franco details the characteristics of the minister's activities without congressional approval for the establishment of the new ministry.

Some cabinet members are convinced that Franco made this mistake by heeding Civilian Household Chief Henrique Hargreaves' advice. According to the Constitution (Articles 84 and 99), the president is empowered "to promote and abolish federal public posts in compliance with the law," which in this particular case is an exclusive domain of the president.

Franco and his predecessors did not submit bills proposing how to regulate Articles 84 and 88. In view of this, when the Constitution was implemented all of the administrative reforms encompassing establishing, abolishing, or changing government structures were done through draft bills or provisional measures.

Genoino stated that "Hargreaves has subjected the president to unnecessary wear and tear, and has offended Congress, which has never failed to approve proposals that benefit the country." He believes that Hargreaves encouraged the mistake to "burn" Presidency Secretary General Mauro Durante, who together with the president signed the decree creating the ministry.

Correction to U.S. Media Campaign Against Brazil

PY3108172093

The following correction pertains to the item headlined "'General Campaign' by U.S. Media Against Brazil Claimed," published in the 31 August Latin America DAILY REPORT, page 20: Column two, paragraph four, only sentence make read: ...experienced Paulo Tarso Flecha de Lima, and.... (correcting spelling)

Colombia

Samper, De la Calle Register Candidacies

PA3108193693 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 31 Aug 93

[Text] Ernesto Samper Pizano and Humberto de la Calle were the first to register their candidacies at the Liberal Party directorate on 30 August. The two hopefuls announced they will not engage in a dialogue with the guerrillas, much less be intimidated by them.

Ernesto Samper Pizano, upon registering his precandidacy on 30 August, announced his political platform. He said his main goals are to create 3.5 million new jobs during the next decade, promote an anticorruption law to curb immorality, and develop a peace policy. He said incidents such as the one that occurred in Usme make dialogue impossible.

[Begin Samper recording] Those of us who are participating in the 1994 electoral process must not be intimidated by incidents like these. [end recording]

Humberto de la Calle, who also followed the Liberal Party's rules of the game when he registered on 30 August, reiterated his goal to broaden the capabilities of the Public Force and create the legal tools through which to achieve peace.

[Begin De la Calle recording] Dialogue is not an option. I am quite surprised that some sectors have responded to this regrettable and criminal incident by immediately calling for dialogue in Colombia. [end recording]

The two Liberal precandidates agreed that these days it is difficult to engage in politics in Colombia. Nevertheless, they are both going forward and running all the risks.

Precandidates Carlos Lemos and Enrique Parejo also rejected a dialogue with the guerrillas.

[Begin recording] [Lemos] I am a presidential candidate and I want to be president.

[Parejo] I will not participate in the dialogue because honesty is not guaranteed. [end recording]

Luis Guillermo Sorzano, David Turbay, and Rodolfo Gonzalez will register their precandidacies on 31 August.

Peru

Congress To Submit Constitution to Referendum

PA0109053693 Paris AFP in Spanish 0448 GMT 1 Sep 93

[Text] Lima, 31 Aug (AFP)—On the night of 31 August, the Peruvian Congress agreed to submit the new constitution to a referendum. This option will give Peruvians the right to say "yes" or "no" to the new constitution, which was drafted over the past eight months, according to official reports.

According to the draft bill, which was approved by votes from both the government and opposition sectors, President Fujimori will officially call for a referendum to be held between 26 October and 26 November of this year.

The approval was obtained after the Change 90/New Majority Movement Coalition gave up on its initial position that the referendum should be held on specific topics of the constitution and agreed with the opposition that the consultation be held in a broad manner.

Government congressmen had proposed that citizens be consulted regarding the death penalty for terrorists, presidential reelections, free education, and other topics. The criteria of the minority, which won in the end, notes that the referendum must ask the people to approve or reject the Constitution with a single response.

Carlos Torres, chairman of the Constitution Commission of the Democratic Constituent Congress, said that with this change of opinion the government is showing flexibility toward opposition groups and broad sectors of opinion within the country. These sectors had voiced the opinion that the referendum should permit voters to vote for or against the Constitution by giving a single response.

Venezuela

Congress Officially Confirms Velasquez President

PA0109005393 Caracas Venezolana de Television Network in Spanish 0016 GMT 1 Sep 93

[Report by Jose Marcano from the Venezuelan Congress building in Caracas—live relay]

[Text] At this moment, the motion presented by Deputy Oswaldo Alvarez Paz, presidential candidate of the Social Christian Party, Copei, is being voted on. Alvarez Paz has proposed Congress declare the permanent absence of President Carlos Andres Perez and that Ramon Jose Velasquez be confirmed as president.

In this way, the parliament has voted with an absolute majority to declare the permanent absence of President Carlos Andres Perez and has ratified Ramon Jose Velasquez as president. Let us listen to what Congress President Octavio Lepage is saying.

[Lepage] It is preferable not to vote on it and he agrees that there should not be a vote.

[Marcano] He is saying that the motion submitted by Deputy Orlando Fernandez will not be submitted to a vote because the motion presented by Copei presidential candidate Oswaldo Alvarez Paz has been approved. We now return to our studios.

Deputy Outlines Consequences

PA0109025593 Caracas Venezolana de Television Network in Spanish 0029 GMT 1 Sep 93

[Interview with congressional Deputy Nelson Chitty La Roche by Jose Marcano from the Venezuelan Congress building in Caracas—live relay]

[Text] [Marcano] We are back at the Congress building where Congress, in an overwhelming majority, moved to declare the permament absence of President Carlos Andres Perez. The Democratic Action [AD] party abstained from requesting a verification of the votes.

Social Christian Party Deputy Nelson Chitty La Roche will now talk to us about the Congress' decision and its consequences.

[Chitty] Simply, President Andres J. Velasquez is now confirmed as the constitutional president. It means that there are no longer two presidents, only one. It means that Perez must leave La Casona presidential palace and it means there is no longer a constitutional president of Venezuela. The Congress has declared the permanent absence of President Perez. This means, perhaps, it is open to interpretation, and this is my interpretation, that we are faced with a foreseeable, albeit new legal situation. Perez is a lifetime senator, of course, as long as he fulfills his administrative function of appearing in the Senate. In this sense, I believe, he will enjoy parliamentary immunity. It is not unusual, therefore, to think that the appointed commission will have to interpellate two former presidents and lifetime senators. I refer to Lusinchi and Perez.

[Marcano] The AD says it will assume Carlos Andres Perez's defense. Defense attorneys have announced that they will go to the Supreme Court to declare the nullification of the decision made today by the extraordinary session of the Congress.

[Chitty] President Perez, in exercising his legal rights, can go to the Supreme Court. I really do not see any real

possibility in this, however. It is a discretionary parliamentary act under constitutional powers recognized in Article 188 on national representatives. I believe the court does not have the authority to rule on the matter. In the end, I think they will seek a judicial response to the organic and political possibility by the self-same Supreme Court. Consequently, Perez will be tried when he is stripped of his last form of protection or his immunity as a lifetime senator.

[Marcano] Does President Carlos Andres Perez have to be stripped of parliamentary immunity for the court to issue a ruling on a firm sentence?

[Chitty] Look, this is open to interpretation. My good friend and jurist, Ramon Guillermo (Dolego), claims it is not necessary according to criminal proceedings. According to my colleague (Dolego), he says President Perez will enjoy the condition of lifetime senator. I believe now that Perez is no longer president, he can come and join us. He has no firm sentence against him, according to the amendments. He can do this.

[Marcano] The other interpretation is yours, right?

[Chitty] Yes, either he is stripped of immunity or not. Either he is a lifetime senator or not. Investigations will be carried out according to the criminal code or else we will be left with a lifetime senator who has immunity. I believe the latter will come about.

[Marcano] That was Deputy Nelson Chitty's interpretation of what will happen, after the permanent absence of Perez as president was approved today.

Bomb Blast at Democratic Action Headquarters

PA3108163993 Caracas Radio Caracas Television Network in Spanish 0200 GMT 31 Aug 93

[Report by Rolando Martinez]

[Text] A few minutes ago an explosive device was detonated at the Democratic Action [AD] National Executive Committee's headquarters causing serious damage. A number of Federal District firemen and experts from the explosives division of the Judicial Technical Police [PTJ] and Directorate of Intelligence and Prevention Services [DISIP] are at the site gathering evidence. The explosion shattered a good deal of glass at the facility. DISIP members say we should not approach the site because DISIP and PTJ experts are collecting evidence to establish who is responsible for this new attack.

The incident, Martinez says, brings to mind the 23 August explosion at the PTJ Vehicle Division.

No State of Emergency

PA3108213393 Madrid EFE in Spanish 1926 GMT 31 Aug 93

[Text] Caracas, 31 Aug (EFE)—Defense Minister Rear Admiral Radames Munoz Leon states today the situation in Venezuela is "relatively calm." Meanwhile, spokesmen for Congress ruled out the possibility of declaring a state of emergency following the latest terrorist actions.

Munoz reported that the Security Council held a special meeting with Venezuelan President Ramon Jose Velasquez today and assessed the country's situation following various terrorist actions, which have occurred in recent weeks.

Venezuela seems to have entered an unusual phase of terrorist activities following the explosion of a letter bomb at the Supreme Court of Justice [CSJ] on 19 July. The attack on the CSJ has been followed by other violent actions, including last night's hurling of an explosive device at the headquarters of the ruling party, Democratic Action (AD). Damages, but no injuries, were reported.

The defense minister announced a group has been discovered in the "23 January" neighborhood on the eastern outskirts of Caracas. He said the group "has all the characteristics of a terrorist commando." Munoz said weapons, explosives, and ski caps were seized during a raid, adding that this evidence will be used to investigate the situation of violence which has prevailed in Caracas in recent weeks.

Referring to charges that some military members participated in these acts of violence, Munoz urged people making the charges to give the names of these alleged terrorists to help get corresponding investigations under way.

Meanwhile, Congress President Octavio Lepage ruled out the possibility that the government will decree a state of emergency, despite the recent terrorist actions in the Venezuelan capital. Lepage said the country's situation does not justify a state of emergency and he said the attack on AD headquarters is an attempt to "scandalize and create confusion and uncertainty."

Meanwhile, Chamber of Deputies President Luis Enrique Oberto, leader of the Social Christian Party, said a declaration of a state of emergency would only facilitate the goals sought by those who are behind terrorist actions in Venezuela.

Defense Minister on Political Situation

PA0109004993 Caracas Radio Caracas Television Network in Spanish 0220 GMT 30 Aug 93

[Interview with Defense Minister Admiral Radames Munoz by Marcel Granier in Caracas from the "Front Page" program—live, in studio]

[Excerpts] [Granier] Good evening, friends of Radio Caracas Television. As you see, today's guest is Defense Minister Radames Munoz, with whom we have a number of subjects to discuss.

There has been a lot of speculation concerning the Armed Forces' role. Many people have pointed out the possibility of a plot against democracy. Still others say the Armed Forces are being encouraged to stage a coup. Generally speaking, a lot of unrest regarding the military situation can be observed.

One of the interviews indicating this was with former President Caldera by Vladimir Villegas, which took place about a month ago. Villegas says he asked Caldera for his opinion on Prosecutor Ramon Escovar Salom's warning of the danger that a destabilizing process could be stirring within the judicial and police organizations. Caldera answered by saying: Everyone knows a danger of this nature would, out of necessity, originate within the Armed Forces. He added: I believe the Armed Forces are quietly watching the country's situation.

My question is this: What is the Armed Forces' role today, and what is the goal that you have set for the Armed Forces as defense minister?

[Munoz] The role of the Armed Forces is to defend democratic values and institutions, basically, defense of the law. There are assorted charges and opinions regarding the Armed Forces in these times, in which there are attempts to create a nonexistent crisis. The Armed Forces and its leadership and, in particular, the task I must perform at this time, is simply directed at maintaining unity in keeping with our word and leadership within the institution. Our sole objective is to answer to the Venezuelan people concerning the duties that the Armed Forces have in this regard.

[Granier] One notices several things taking place simultaneously within the Armed Forces. On the one hand, no other institution in the country has demonstrated its democratic inclination more consistently or at a higher price. This was demonstrated on 27 February 1989, 4 February 1992, and 27 November 1992, when at a very high costs the Armed Forces displayed their commitment to democracy.

Nevertheless, two of these three movements also originated in the Armed Forces. This is to say, there are dissatisfied people in the Armed Forces for various reasons. Everyone knows the usual claim that past coup attempts were merely carried out by those who were nothing more than criminals is neither a true nor satisfactory answer when explaining what happened. It is true that many people violated their oaths and betrayed the trust the country had placed in them.

In the Armed Forces, however, there must have been some very great dissatisfaction with the country's social situation and the roles assigned to the Armed Forces, as well as those roles they must often play, for these situations to have become explosive. What is the true situation now regarding these tendencies?

[Munoz] The problem must be studied from a broad point of view. There are all of these social dislocations from which the Armed Forces cannot escape because they are part of society. More than 100,000 families depend on the Armed Forces and experience the daily problems that result from our economic deterioration or some failure of economic policy, all of which has led to a discussion of a crisis.

All of these events have affected the Armed Forces, as have a number of liberal opinions within society, all within the framework of public opinion, what I would call opinion-rule [opino-cracia]. These societal elements have dedicated their efforts and time to a purpose that really has not been clearly defined, whether to complete the country's democratic process via a de facto path or to define a better future for Venezuela.

What has happened with the officers, the noncommissioned officers, and the professional troops? In the past, many people sowed hopelessness based on their own needs, and the attitude of the Armed Forces was passive regarding this. There were no timely responses, and the top chiefs did not address the lower ranks. We must recognize this mea culpa, and, over time, we have corrected this. We have tried to prevent such situations from being repeated.

In light of this accumulation of things, of attacks from public opinion, the same things experienced in the past are being repeated, with one slight difference: Now, the office I head and the Army Staff have confronted these rumors and schemes to end to this situation and get the truth, which is the defense of the institutions, to the ears of our subordinate personnel.

[Granier] Do you think there are currently any serious threats against the institutions?

[Munoz] I want to state in a responsible way that this behavior and these threats originate in this city, in Caracas. Caracas is different from the rest of the country. The rest of the country is calm, at peace. They face problems as elsewhere, but this situation of innuendoes, popular commotion, and opinions is really not experienced in the countryside, except in certain large cities, where there are a number of small elements of agitation or flash points.

The fact that Caracas is simply the main spot in a series of terrorist actions or rumors that usually appear periodically tells us is it is not a problem at a national level and it is not a problem that involves the majority of the people. Instead, this is a problem that is very well handled by small organizations, that have anarchical inclinations and are attempting to confuse the people and create enough anguish to prevent us form achieving social improvement and economic recovery.

[Granier] Why are these organizations not exposed?

[Munoz] Within the context of the intelligence plans the Armed Forces and security organizations currently have, we are actually working to detect all kinds of affiliations. These include theories that the media frequently reports on quarrels among policemen, extreme right organizations, and anarchical tendencies in certain quarters. We are conducting these investigations seriously and supporting them with evidence.

Once we have this information, I am certain we will demand that our authorities reveal it. We will ask the government to speak out, specifically to report all the ploys that work against the peace and tranquility of Caracas residents and, in turn, against all Venezuelans, because whatever is spoken here in Caracas moves the entire country.

[Granier] How is the problem between the Radical Cause Party and the Armed Forces going to end? Did the problem not start with Pablo Medina's charges against several military officers?

[Munoz] I believe we have to understand that the Radical Cause Party is part of the democratic system. We understand and accept the situation because we too are part of the democratic system. The Armed Forces do not have any particular problem with the Radical Cause Party directly. I believe the entire problem was triggered by rash opinions concerning people who have proven their calling to service and their professionalism and who have earned their ranks and posts through their own efforts.

In this case, the post of defense minister, represented by me; the Defense Ministry; and the military command have come forward to defend the institution, not to defend ideas that could be contrary to political positions maintained by several candidates. I believe we are evidently very respectful of the political system. We, however, cannot and will not allow the institution to be slandered or permit insults to be the prevailing trend in Venezuela to obtain election goals. We will establish the truth, and the case will be presented to those legal organizations extant. We, thereby, will display our faith in the Venezuelan legal system and in the judicial branch. We will exercise our rights to obtain justice.

[Granier] Concerning the issue of conspiracy, some people have said, I am referring to former presidents of the Republic, that subversive groups from the extreme left are behind it. Another former president claimed that economic groups are interested in the conspiracy. Others say it is a struggle between policemen, who have been displaced, close to former Presidents Perez and Lusinchi. What is your opinion on this? What do you think is truly happening?

[Munoz] Well, I would say that it is a mixture of all this. The trends of current police investigations apparently cover several hypotheses. Even common crime is being considered among these hypotheses, and there are some indications of this in some of the attacks.

What is true is that the letterbomb case has been resolved. One cannot turn his back on reality when the evidence is there. It will be the government's duty to bring this matter to the judicial branch, which will permit judges to conduct an in-depth investigation, an investigation that will show there are no conspiracies between political or specific groups and the government or security authorities.

Regarding other cases and acts of terrorism, we reject these actions, just as it should be. This is our position. All connections and hypotheses advanced and reported to the public are investigated. I am not saying that they are either right or wrong. This is why we give security organizations all the support we can: to help clear up these events.

[Granier] Going back to the military issue, I imagine that both the 4 February and 27 November actions must have caused deep wounds within the Armed Forces. Given this, some politicians have come forward to help heal these wounds and help reunify the Armed Forces. I have also heard high-ranking officers say that this process is strengthening the Armed Forces. What is your attitude as minister?

[Munoz] In principle, we must make some explanations. Many people talk about the reunification of the Armed Forces. I recently said that one cannot unite a herd of elephants with an ant. And this proportion, without being disrespectul, means that we cannot think that the Armed Forces are divided simply because 95,000 men do not share the views of some 150 men.

I think that the proceedings against those implicated in the 4 February and 27 November coup attempts do not translate into an act of reunification in the Armed Forces. Many organizations have used this as a slogan to offer their services in this regard. We do not need anyone's mediation. We simply do not want it. I believe that the existing legal and justice systems must handle these matters. [passage omitted]

[Granier] This question deals with the Armed Forces' role and their contributions to society. What about the specific problem of the Armed Forces of Cooperation and the arrest warrants issued against the officers involved?

[Munoz] We have proclaimed that we respect the de jure state. At this moment we are proving this. We are experiencing a difficult situation. In this case, certain people are being accused of being involved in drug trafficking and others of participating in punishable activities. In cases like these, you have what is described as supervised or controlled deliveries, which are covered by treaties Venezuela has signed. The only thing I am requesting in this case is a revision of those treaties. They require legislation. We must grant appropriate protection, recognition, and motivation to people who immerse themselves in the struggle against drug trafficking. Everyone knows, one does not need to watch

films or television to know that every time one of these men is identified, his life is truly jeopardized.

We have sent officers abroad because they were totally threatened by drug traffickers, officers who, whether seeking the thrill of adventure or fulfilling a desire to serve their country, struggled against a scourge they thought they had to attack. They must not be defenseless at this time because of certain undefined legal matters.

[Granier] Who will defend them?

[Munoz] They will be defended by civilian justice and the de jure state. We will give them all the support they need, both economic and professional, to enable them to present their problem to the authorities and have it resolved through means established by law.

[Granier] Could this cause the Armed Forces to reject continued cooperation with operations like these without guarantees?

[Munoz] Not really. We have a duty to the country and this comes before our own wishes. Nevertheless, it will create a feeling of defenselessness among these people, who are devoted to this struggle, which, moreover, is voluntary, if they are faced with situations in which legal action could be taken against them. This would somewhat delay or limit certain operations because of their voluntary nature. It also would create a syndrome caused precisely by being detained or arrested when one was nobly attempting to resolve a problem.

In this case, I believe it is important for the law to intervene for two basic reasons: Universal law states that a person is presumed innocent until proven guilty and I believe that at this moment it is very important for the Armed Forces to have the truth of these events proven. If a man is guilty, he deserves double punishment because he had been granted power and the Armed Forces' confidence in this struggle. If he is innocent, however, he must be publicly exonerated and there must be a revision of the processes that make it possible for ambiguous cases to be brought before the law.

[Granier] There are powerful enemies in drug trafficking and the confrontation of these enemies entails very great risks, does it not? Also, could you give an overview of the situation in the country, taking into consideration the issues we have discussed, such as the election process?

[Munoz] My opinion, as a common observer, is that the campaigns are lacking strength, considering only 90 days are left before they conclude.

[Granier] The polls show that many people lack the motivation to vote. In fact, most voters do not favor anyone and may very well abstain. This is worrisome and it reinforces what you just said.

[Munoz] Exactly. Apathy seriously harms the country. It shows the people's loss of confidence in the country's institutions. I believe the people should be clearly and conscientiously taught what this means to the country because it can lead to very small margins of victory for certain groups that have other political interests, whether anarchical or not, which could lead to an incitement of public opinion.

[Granier] Do the Armed Forces support any candidate? Are you opposed to any candidate?

[Munoz] What a question. [laughs] I believe the greatest winner in the elections—in humorous terms, what can I say?—will be the Armed Forces. This will be proven because of their support and desire to foster awareness. They can encourage the Venezuelan people to contribute to the nation by going to the polls and establishing Venezuela's future. When the people vote, they must do so for the country's future not for its destruction. Abstaining from voting is one way of destroying the country's future. I say we are the big winners, of course, because we are proud to somehow contribute to the continuity of the country's institutions.

[Granier] Thank you very much, Mr. Minister. Thank you friends for your attention. As usual, I will expect you next Sunday at the same time.